

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

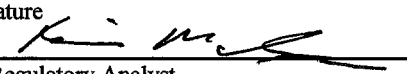
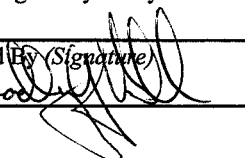
FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01196E	
1b. Type of Well: <input type="checkbox"/> <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A	
2. Name of Operator Kerr-McGee Oil & Gas Onshore, LP		7. If Unit or CA Agreement, Name and No. 891008900A	
3a. Address P.O. Box 173779 Denver, CO 80217-3779		8. Lease Name and Well No. NBU 1022-08IT	
3b. Phone No. (include area code) 720.929.6226		9. API Well No. 43-047-40192	
4. Location of well (Report location clearly and in accordance with any State requirements. *) At surface 1757 631998X 323 FEL NE SE Lat. 39.960970 Long. -109.45469 FSL 44243594 -109.454574 At proposed prod. zone N/A NAD27		10. Field and Pool, or Exploratory Natural Buttes Field	
11. Sec., T., R., M., or Blk. and Survey or Area Sec 8 T 10S R 22E			
14. Distance in miles and direction from the nearest town or post office* 23.3 miles northeast of Ouray, Utah		12. Cou State Utah	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any) 323'		16. No. of acres in lease 560	
17. Spacing Unit dedicated to this well 40			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 30'		19. Proposed Depth 8850'	
20. BLM/ BIA Bond No. on file WYB000291			
21. Elevations (Show whether DF, RT, GR, etc.) 5,165' GR		22. Aproximate date work will start* Upon Approval	
		Esti mat 10 days	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- | | |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by existing bond on file (see item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Land SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/ or plans as may be required by authorized officer. |

25. Signature 	Name (Printed/ Typed) Kevin McIntyre	RECEIVED JUN 27 2008 DIV. OF OIL, GAS & MINING 07-16-08
Title Regulatory Analyst		
Approved By (Signature) 	Name (Printed/ Typed) BRADLEY G. HILL	
Title	Office ENVIRONMENTAL MANAGER	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

* (Instructions on page 2)

Federal Approval of this
Action Is Necessary

T10S, R22E, S.L.B.&M.

WEST - 40.07 (G.L.O.)

S89°56'W - 39.96 (G.L.O.)

S89°55'00"W - 2637.33' (Meas.)

Found 1991 Aluminum Cap, Pile of Stones.

Found 1991 Aluminum Cap, Pile of Stones.

Found 1991 Aluminum Cap, Pile of Stones.

Found 1991 Aluminum Cap, Pile of Stones, Steel Fence Post.

N00°09'22"W - 2646.11' (Meas.)

N0°10'W 40.09 (G.L.O.)

N00°08'53"W (Basis of Bearings) 2643.03' (Measured)

N0°09'W 40.04 (G.L.O.)

Found 1991 Aluminum Cap, Pile of Stones.

Found 1991 Aluminum Cap, Pile of Stones, Steel Fence Post.

S89°46'11"W - 2651.51' (Meas.)

S89°47'W 40.18 (G.L.O.)

S89°53'W 40.09 (G.L.O.)

N0°01'W 40.18 (G.L.O.)

N0°01'E 40.14 (G.L.O.)

NBU 1022-08IT (Proposed Well Head)

NAD 83 LATITUDE = 39.96104° (39° 57' 39.75")

LONGITUDE = 109.45537° (109° 27' 19.33")

NAD 27 LATITUDE = 39.96108° (39° 57' 39.88")

LONGITUDE = 109.45469° (109° 27' 16.87")

8

WELL LOCATION:
NBU 1022-08IT

ELEV. UNGRADED GROUND = 5165.0'

Proposed Well

323'

1757'

NOTES:

- ▲ = Section Corners Located
1. Well footages are measured at right angles to the Section Lines.
 2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
 3. Bearings are based on Global Positioning Satellite observations.
 4. Basis of elevation is Tri-Sta "Two Water" located in the NW $\frac{1}{4}$ of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.

A horizontal graphic scale bar with alternating black and white segments. Above the bar, the markings '1000'', '500'', '0'', and '1000'' are shown from left to right. Below the bar, the word 'SCALE' is centered.

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF.

GE AND BELLE No. 362251
 WY KOLBY R.
 DE KAY
 REGISTERED LAND SURVEYOR
 REGISTRATION No. 362251
 STATE OF UTAH
 STATE OF UTAH

Kerr-McGee
Oil & Gas Onshore, LP
1099 18th Street, Suite 1200 – Denver, Colorado 80202

NBU 1022-08IT
WELL PLAT
1757' FSL, 323' FEL
NE $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 8, T10S, R22E,
S.L.B.&M. UTAH COUNTY, UTAH.

CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
38 WEST 100 NORTH - VERNAL, UTAH 84078

DATE SURVEYED: 06-02-08	SURVEYED BY: B.J.S.	SHEET 2 OF 7
DATE DRAWN: 06-04-08	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised:	

**NBU 1022-08IT
NESE Sec. 8, T10S, R22E
UINTAH COUNTY, UTAH
UTU-01196E**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1195'
Bird's Nest	1464'
Mahogany	1910'
Wasatch	4303'
Mesaverde	6778'
MVU2	7674'
MVL1	8294'
TD	8850'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1195'
	Bird's Nest	1464'
	Mahogany	1910'
Gas	Wasatch	4303'
Gas	Mesaverde	6778'
Gas	MVU2	7674'
Gas	MVL1	8294'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. Drilling Fluids Program:

Please see the Natural Buttes Unit SOP.

6. Evaluation Program:

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8850' TD, approximately equals 5487 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3540 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

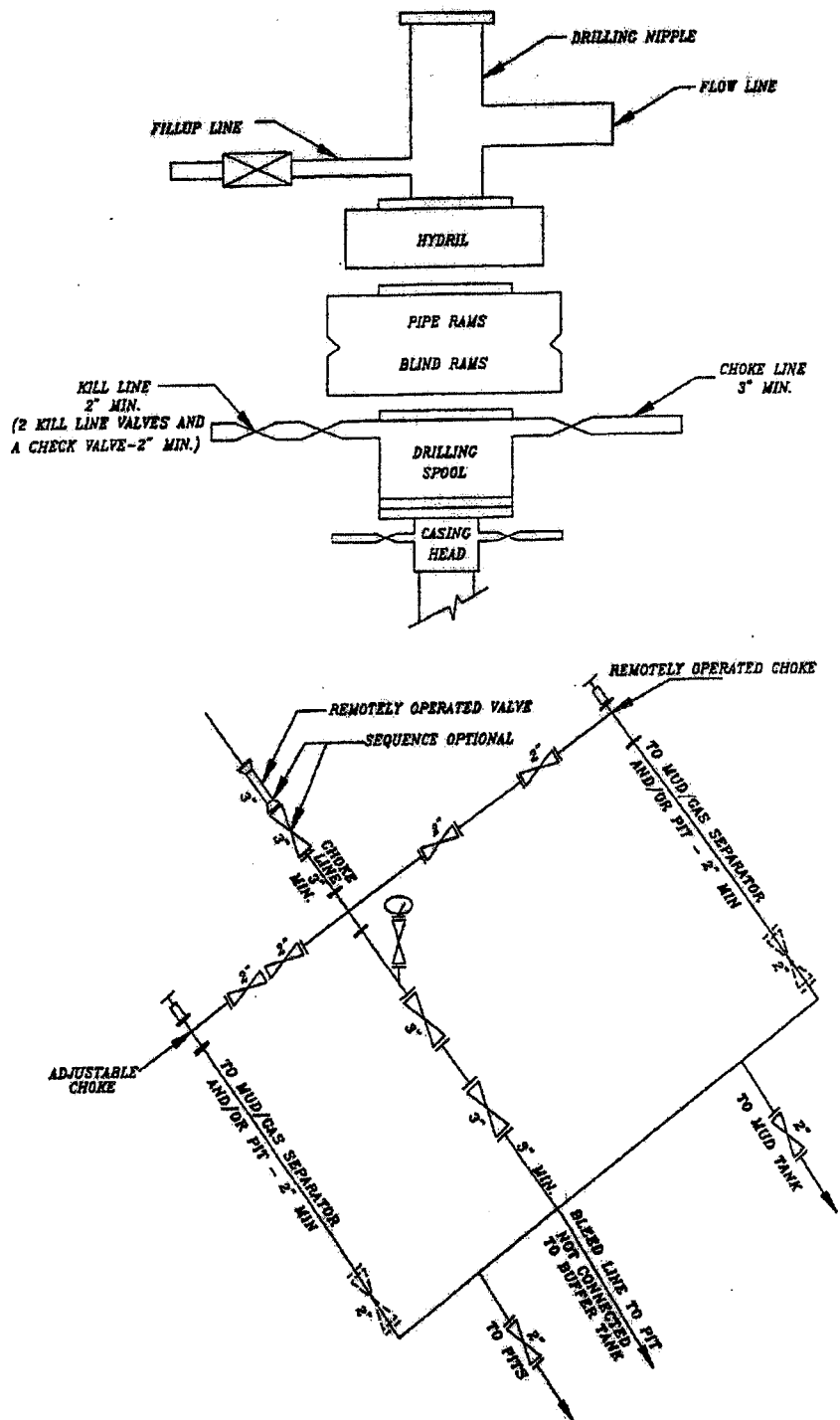
9. **Variances:**

Please see Natural Buttes Unit SOP. Please see Kerr McGee's sundry regarding variance request to Onshore Order #2 regarding Air drilling for surface casing.

10. **Other Information:**

Please see Natural Buttes Unit SOP.

EXHIBIT A



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

NBU 1022-08IT
NESE Sec. 8 ,T10S,R22E
UINTAH COUNTY, UTAH
UTU-01196E

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to the attached location directions.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

2. **Planned Access Roads:**

No new access road is planned, as this is a twin location. Refer to Topo Map B.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

No new pipeline, as we will be utilizing the existing CIGE #250 pipeline. No TOPO D attached.

Please see the Natural Buttes Unit SOP.

Variances to Best Management Practices (BMPs) Requested:

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

Interim Surface Reclamation Plan:

This exception is requested due to the current twin and multi-well program. If determined that this well will not be a candidate for either twinning &/or multi-well the operator shall spread the topsoil pile on the location up to the rig anchor points. The location will be reshaped to the

original contour to the extent possible. The operator will reseed the area using the BLM recommended seed mixture and reclamation methods.

5. **Location and Type of Water Supply:**

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

7. **Methods of Handling Waste Materials:**

Please see the Natural Buttes SOP.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E, Pipeline Facility Sec. 36, T9S, R20E, Goat Pasture Evaporation Pond SW/4 Sec. 16, T10S, R22E, Bonanza Evaporation Pond Sec. 2, T10S, R23E (*Request is in lieu of filing Form 3160-5, after initial production*).

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

10. Plans for Reclamation of the Surface:

Please see the Natural Buttes SOP.

upon reclamation of the pit the following seed mixture will be used. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Crested Wheatgrass 12 lbs.

Operator shall call the BLM for the seed mixture when final reclamation occurs.

11. Surface/Mineral Ownership:

The well pad, access road, pipeline and mineral ownership are listed below:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Stipulations**Wildlife Stipulations:**

- Antelope Stipulations:
No construction from May 15 through June 20.

Critical Soils Stipulations:

No construction when wet.

13. Other Information:

A Class III archaeological survey and a paleontological survey have been performed and will be submitted.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

14. Lessee's or Operator's Representative & Certification:

Kevin McIntyre
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
P.O. Box 173779
Denver, CO 80217-3779
(720) 929-6226

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7018

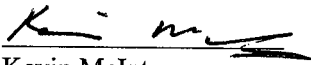
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Kevin McIntyre

6/24/2008
Date



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE June 24, 2008
WELL NAME NBU 1022-08IT TD 8,850' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,165' GL KB 5,180'
SURFACE LOCATION NESE 1757' FSL & 323' FEL, SEC. 8, T10S, R22E BHL Straight Hole
Latitude: 39.961080 Longitude: -109.454690 NAD 27
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 36#, J-55, LTC	Air mist
Catch water sample, if possible, from 0 to 4,303' Green River @ 1,195' Top of Birds Nest Water @ 1464' Mahogany @ 1,910' Preset f/ GL @ 2,100' MD					
Note: 12.25" surface hole will usually be drilled $\pm 400'$ below the bottom of lost circulation zone. Drilled depth may be $\pm 200'$ of the estimated set depth depending on the actual depth of the loss zone.					
Mud logging program TBD Open hole logging program f/ TD - surf csg					
	Wasatch @	4,303'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-10.0 ppg
	Mverde @	6,778'			
	MVU2 @	7,674'			
	MVL1 @	8,295'			
	TD @	8,850'			Max anticipated Mud required 11.6 ppg



DRILLING PROGRAM
CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 2100	36.00	J-55	LTC	3520	2020	453000
						1.04	2.06	7.63
PRODUCTION	4-1/2"	0 to 8850	11.60	I-80	LTC	7780	6350	201000
						2.29	1.19	2.24

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 11.6 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
- MASP 3540 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
	Option 1		+ .25 pps flocele				
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	50		15.60	1.18
			+ 2% CaCl + .25 pps flocele				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE	NOTE: If well will circulate water to surface, option 2 will be utilized						
	Option 2						
	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	170	35%	11.00	3.82
			+ .25 pps Flocele + 3% salt BWOC				
	TAIL	500	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ .25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,800'	Premium Lite II + 3% KCl + 0.25 pps	420	60%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	5,050'	50/50 Poz/G + 10% salt + 2% gel	1410	60%	14.30	1.31
			+ .1% R-3				

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney

DATE:

DRILLING SUPERINTENDENT:

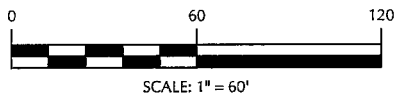
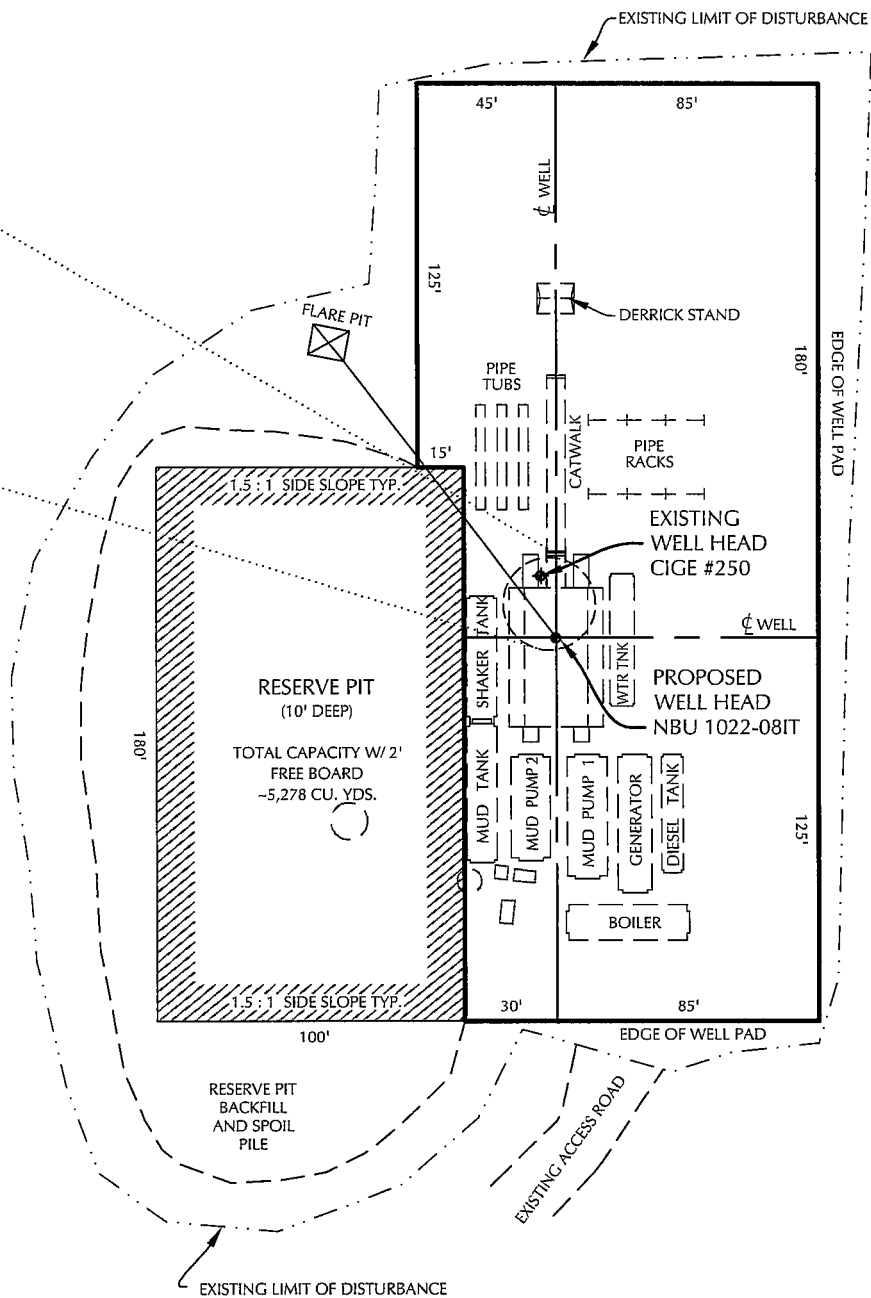
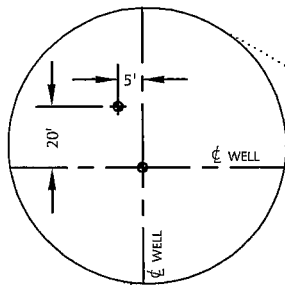
Randy Bayne NBU 1022-08IT.xls

DATE:

Kerr-McGee Oil & Gas Onshore, LP
NBU #1022-08IT
SECTION 8, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH, ALONG U.S. HIGHWAY 40 APPROXIMATELY 13.2 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 16.5 MILES TO OURAY, UTAH; PROCEED FROM OURAY, UTAH, IN A SOUTHERLY DIRECTION ON STATE HIGHWAY 88 APPROXIMATELY 9.4 MILES TO THE JUNCTION OF STATE HIGHWAY 88 AND SEEP RIDGE ROAD; EXIT LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND GLEN BENCH ROAD; EXIT LEFT AND PROCEED IN AN EASTERLY DIRECTION FOR APPROXIMATELY 5.1 MILES TO THE JUNCTION OF THIS ROAD AND BITTER CREEK ROAD; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION, GRADUALLY CHANGING TO SOUTHEASTERLY FOR APPROXIMATELY 4.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 3.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND THE PROPOSED NBU 1022-08IT WELL LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH, TO THE PROPOSED NBU 1022-08IT WELL LOCATION IS APPROXIMATELY 53.5 MILES.



KERR-MCGEE OIL & GAS
ONSHORE, LP

1099 18th Street, Suite 1200 - Denver, Colorado 80202

NBU 1022-08IT
LOCATION LAYOUT
1,757 FSL - 323' FEL
NE1/4SE1/4, SEC. 8, T.10S., R.22E.
S.L.B. & M., UTAH COUNTY, UTAH



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

NOTES:

1. FLARE PIT IS TO BE LOCATED A MIN. OF 100' FROM THE WELL HEAD
2. ELEVATION BASED ON TRI-STA "TWO WATERS" LOCATED IN THE NW1/4 OF SEC. 1, T.10S., R.21E., S.L.B. & M. (THE ELEVATION OF THIS TRI-STA IS SHOWN ON THE BIG PACK MTN. NE 7.5 MIN. QUADRANGLE AS BEING 5,238')
3. NBU 1022-08IT EXISTING GROUND ELEVATION = 5,165.0'

Scale: 1"=60'	Date: 6/9/08	SHEET NO:
REVISED:	BY DATE	3 3 OF 7

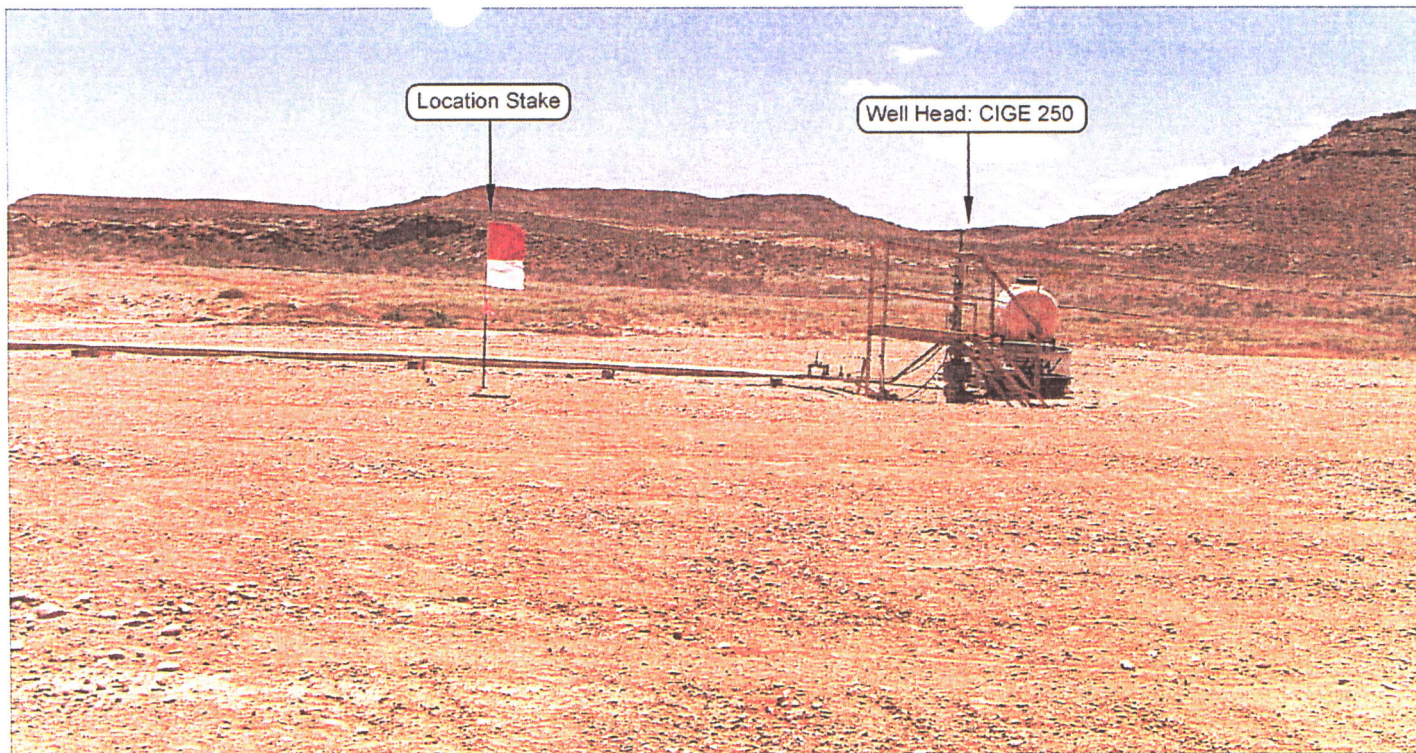


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



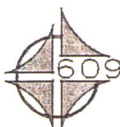
PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHERLY

**Kerr-McGee
Oil & Gas Onshore, LP**

1099 18th Street, Suite 1200 - Denver, Colorado 80202

NBU 1022-08IT
1757' FSL, 323' FEL
NE $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 8, T10S, R22E,
S.L.B.&M. UINTAH COUNTY, UTAH.



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

LOCATION PHOTOS

DATE TAKEN: 06-02-08

DATE DRAWN: 06-04-08

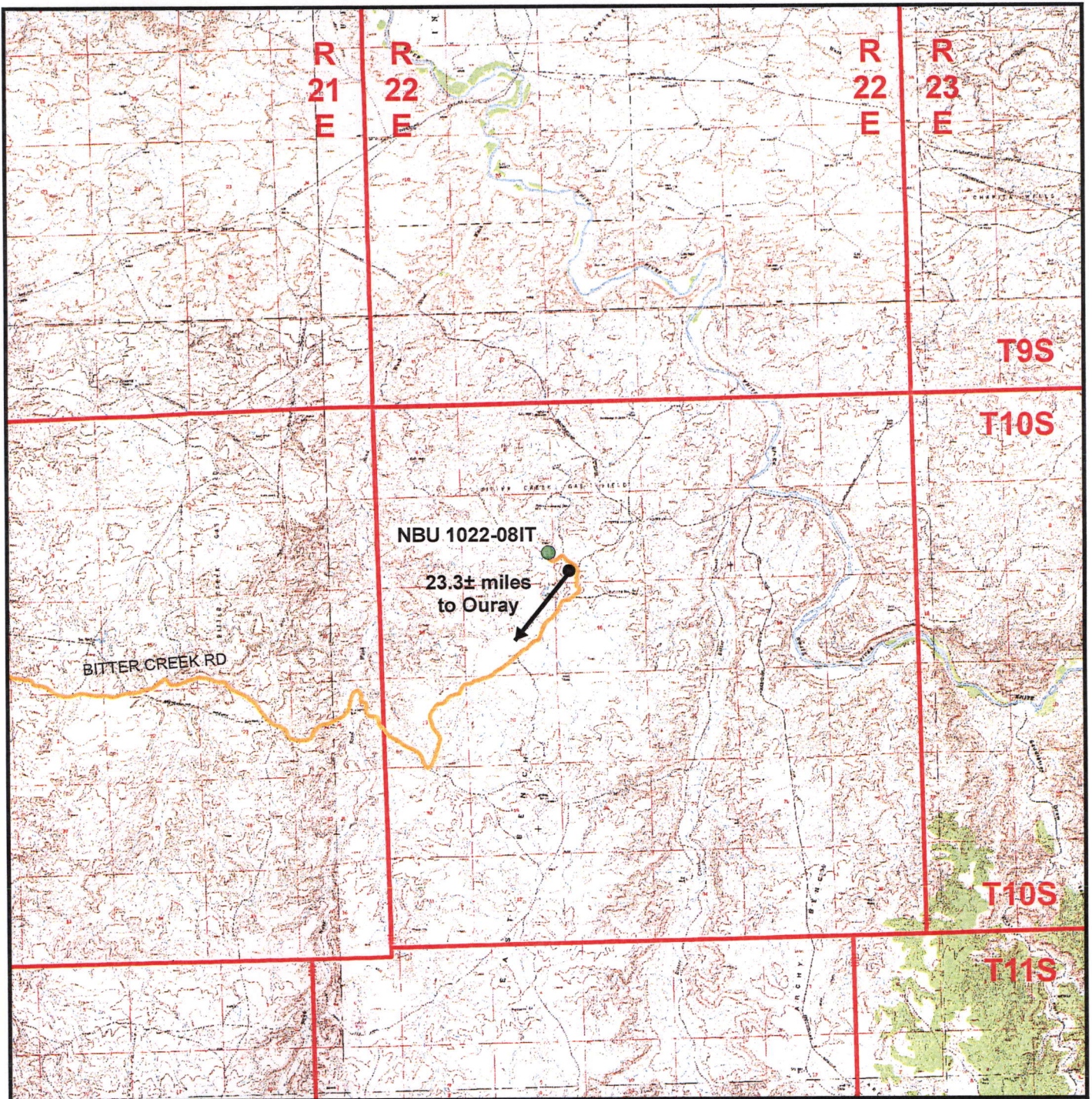
TAKEN BY: B.J.S.

DRAWN BY: J.R.S.

REVISED:

Timberline (435) 789-1365
Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078

SHEET
4
OF 7



Legend

● Proposed NBU 1022-08IT Well Location

— Existing Access Roads

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Suite 1200 - Denver, Colorado 80202

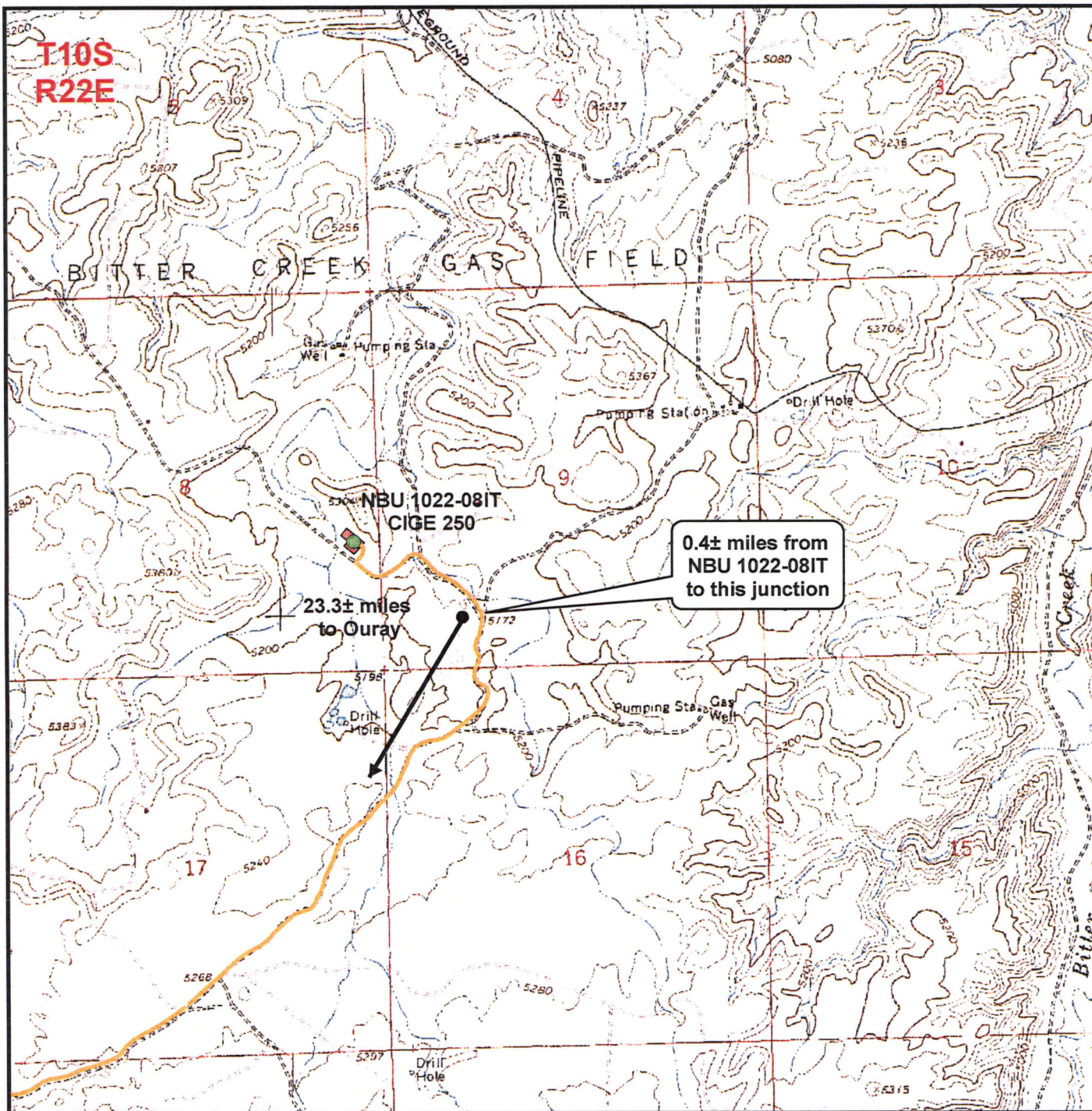
NBU 1022-08IT
Topo A
1757' FSL, 323' FEL
NE ¼ SE ¼, Section 8, T10S, R22E
S.L.B.&M., Uintah County, Utah



CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 673-0036
Fax (307) 674-0182



Scale: 1:100,000	NAD83 US P Centra	Sheet No:
Drawn: JELO	Date: 12 June 2008	5
Revised:	Date:	5 of 7



Legend

● Proposed NBU 1022-08IT Well Location

— Existing Access Roads

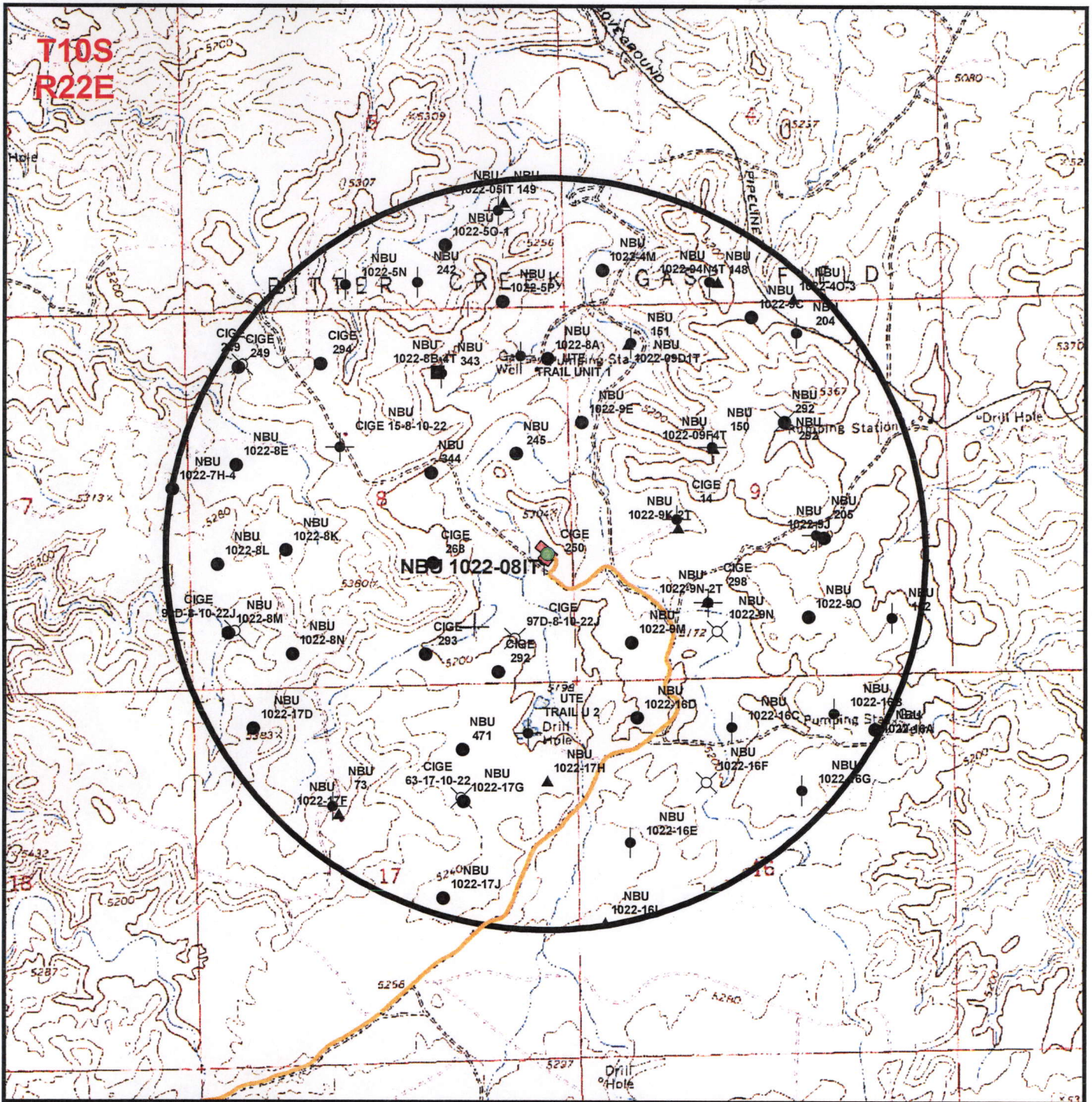
Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Suite 1200 - Denver, Colorado 80202

NBU 1022-08IT
Topo B
1757' FSL, 323' FEL
NE ¼ SE ¼, Section 8, T10S, R22E
S.L.B.&M., Uintah County, Utah


CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 673-0036
Fax (307) 674-0182



Scale: 1" = 2000ft	NAD83 US P Centra	Sheet No:
Drawn: JELO	Date: 9 June 2008	6
Revised:	Date:	6 of 7



Legend

● Proposed NBU 1022-08IT Well Location

— Existing Access Roads

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street, Suite 1200 - Denver, Colorado 80202

NBU 1022-08IT
Topo C
1757' FSL, 323' FEL
NE ¼ SE ¼, Section 8, T10S, R22E
S.L.B.&M., Uintah County, Utah



CONSULTING, LLC
371 Coffeen Avenue
Sheridan, WY 82801
Phone (307) 673-0036
Fax (307) 674-0182

- Producing
- ▲ Approved permit (APD); not yet spudded
- New Permit (Not yet approved or drilled)
- ⊗ Location Abandoned
- ⊙ Plugged and Abandoned
- Shut-In

Scale: 1" = 2000ft	NAD83 US P Centra	Sheet No:
Drawn: JELO	Date: 9 June 2008	7
Revised:	Date:	7 of 7

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/27/2008

API NO. ASSIGNED: 43-047-40192

WELL NAME: NBU 1022-08IT

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 720-929-6226

CONTACT: KEVIN MCINTYRE

PROPOSED LOCATION:

NESE 08 100S 220E

SURFACE: 1757 FSL 0323 FEL

BOTTOM: 1757 FSL 0323 FEL

COUNTY: UINTAH

LATITUDE: 39.96097 LONGITUDE: -109.4546

UTM SURF EASTINGS: 631998 NORTHINGS: 4424359

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-01196E

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000291)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

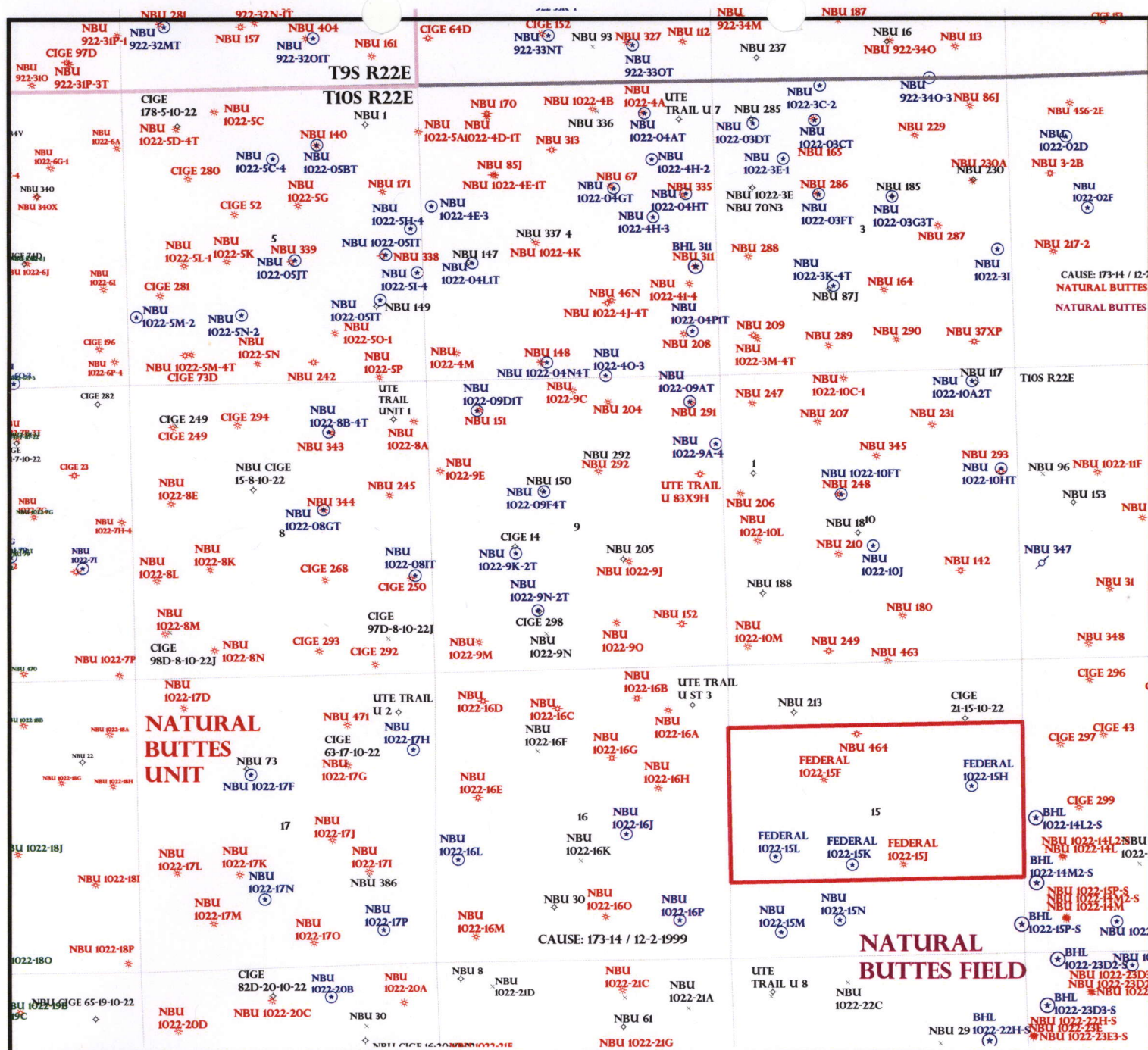
LOCATION AND SITING:

____ R649-2-3.
Unit: NATURAL BUTTES
____ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
____ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460' for u. large & uncomm. Tract
____ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

Handwritten:
Federal Approval
2- OIL SHALE



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 8.9.10 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



PREPARED BY: DIANA MASON
DATE: 14-JULY-2008

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

July 15, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-40184	NBU 921-30FT	Sec 30 T09S R21E 1585 FNL 2614 FWL
43-047-40185	NBU 921-31BT	Sec 31 T09S R21E 0670 FNL 2008 FEL
43-047-40170	NBU 921-27KT	Sec 27 T09S R21E 1527 FSL 1821 FWL
43-047-40171	NBU 921-27MT	Sec 27 T09S R21E 0634 FSL 0931 FWL
43-047-40172	NBU 921-27OT	Sec 27 T09S R21E 0646 FSL 2211 FEL
43-047-40173	NBU 921-27HT	Sec 27 T09S R21E 2025 FNL 0623 FEL
43-047-40174	NBU 921-27LT	Sec 27 T09S R21E 1954 FSL 0641 FWL
43-047-40175	NBU 921-33K	Sec 33 T09S R21E 2066 FSL 1926 FWL
43-047-40227	NBU 921-27C2D	Sec 27 T09S R21E 0650 FNL 1730 FWL
43-047-40203	NBU 921-27D2DS	Sec 27 T09S R21E 0660 FNL 1713 FWL
	BHL	Sec 27 T09S R21E 0395 FNL 0350 FWL
43-047-40202	NBU 921-27D2AS	Sec 27 T09S R21E 0640 FNL 1747 FWL
	BHL	Sec 27 T09S R21E 0050 FNL 0350 FWL
43-047-40201	NBU 921-27C2AS	Sec 27 T09S R21E 0630 FNL 1765 FWL
	BHL	Sec 27 T09S R21E 0300 FNL 1730 FWL
43-047-40169	NBU 921-26IT	Sec 26 T09S R21E 1964 FSL 0674 FEL
43-047-40176	NBU 922-29NT	Sec 29 T09S R22E 0845 FSL 1627 FWL
43-047-40177	NBU 922-29KT	Sec 29 T09S R22E 1795 FSL 1936 FWL
43-047-40178	NBU 922-31BT	Sec 31 T09S R22E 0888 FNL 2191 FEL

43-047-40179	NBU 922-32ET	Sec 32	T09S R22E	2477	FNL 0094	FWL
43-047-40186	NBU 922-33OT	Sec 33	T09S R22E	0692	FSL 1465	FEL
43-047-40187	NBU 922-33NT	Sec 33	T09S R22E	0890	FSL 2291	FWL
43-047-40188	NBU 922-33IT	Sec 33	T09S R22E	2115	FSL 0579	FEL
43-047-40191	NBU 1022-04GT	Sec 04	T10S R22E	1897	FNL 1861	FEL
43-047-40189	NBU 922-35IT	Sec 35	T09S R22E	2133	FSL 0627	FEL
43-047-40190	NBU 1022-01CT	Sec 01	T10S R22E	0819	FNL 2106	FWL
43-047-40192	NBU 1022-08IT	Sec 08	T10S R22E	1757	FSL 0323	FEL
43-047-40193	NBU 1022-08GT	Sec 08	T10S R22E	2313	FNL 1922	FEL
43-047-40194	NBU 1022-09AT	Sec 09	T10S R22E	0472	FNL 0582	FEL
43-047-40195	NBU 1022-10HT	Sec 10	T10S R22E	1798	FNL 0297	FEL
43-047-40196	NBU 1022-10FT	Sec 10	T10S R22E	2200	FNL 2094	FWL
43-047-40204	NBU 1022-32D1S	Sec 32	T10S R22E	0205	FNL 2058	FWL
	BHL	Sec 32	T10S R22E	0270	FNL 1310	FWL
43-047-40205	NBU 1022-32D4AS	Sec 32	T10S R22E	0198	FNL 2077	FWL
	BHL	Sec 32	T10S R22E	0760	FNL 1180	FWL
43-047-40206	NBU 1022-32B3S	Sec 32	T10S R22E	0185	FNL 2114	FWL
	BHL	Sec 32	T10S R22E	1150	FNL 2130	FEL
43-047-40207	NBU 1022-32D4DS	Sec 32	T10S R22E	0192	FNL 2096	FWL
	BHL	Sec 32	T10S R22E	1240	FNL 1050	FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
 Division of Oil Gas and Mining
 Central Files
 Agr. Sec. Chron
 Fluid Chron

MCoulthard:mc:7-15-08



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

July 16, 2008

Kerr-McGee Oil & Gas Onshore, LP
P O Box 173779
Denver, CO 80217-3779

Re: NBU 1022-08IT Well, 1757' FSL, 323' FEL, NE SE, Sec. 8, T. 10 South, R. 22 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40192.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

Operator: Kerr-McGee Oil & Gas Onshore, LP

Well Name & Number NBU 1022-08IT

API Number: 43-047-40192

Lease: UTU-01196E

Location: NE SE **Sec.** 8 **T.** 10 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 16 2008

BLM

FORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

Lease Serial No.

UTU-01196E

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator

Kerr-McGee Oil & Gas Onshore, LP

3a. Address

P.O. Box 173779
Denver, CO 80217-3779

3b. Phone No. (include area code)

720.929.6226

6. If Indian, Allottee or Tribe Name
N/A

7. If Unit or CA Agreement, Name and No.
891008900A

8. Lease Name and Well No.
NBU 1022-08IT

9. API Well No.

43 047 40192

10. Field and Pool, or Exploratory

Natural Buttes Field

4. Location of well (Report location clearly and in accordance with any State requirements. *)

At surface 1757 323 FEL NE SE Lat. 39.96108 Long. -109.45469
FSL
At proposed prod. zone N/A NAD 27

11. Sec., T., R., M., or Bk. and Survey or Area

Sec 8 T 10S R 22E

14. Distance in miles and direction from the nearest town or post office*

23.3 miles northeast of Ouray, Utah

12. Cou State

Uintah Utah

15. Distance from proposed*

location to nearest
property or lease line, ft. 323'
(Also to nearest drlg. unit line, if any)

16. No. of acres in lease

560

17. Spacing Unit dedicated to this well

40

18. Distance from proposed location*

to nearest well, drilling, completed, 30'
applied for, on this lease, ft.

19. Proposed Depth

8850'

20. BLM/ BIA Bond No. on file

WYB000291

21. Elevations (Show whether DF, RT, GR, etc.)

5,165' GR

22. Aproximate date work will start*

Upon Approval

Esti
mat

10 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1 shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Land SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by existing bond on file (see item 20 above).
- Operator certification.
- Such other site specific information and/ or plans as may be required by authorized officer.

25. Signature

Name (Printed/ Typed)

Kevin McIntyre

Title Regulatory Analyst

Approved By (Signature)

Name (Printed/ Typed)

NOV 19 2008

Title

Assistant Field Manager
Lands & Mineral Resources

Office

VERNAL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 2)

NOTICE OF APPROVAL

NOV 24 2008

DIV. OF OIL, GAS & MINING

UDOGH

Posted 7/17/08
No NOS
085XS0175A



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr McGee Oil & Gas Onshore, LP
Well No: NBU 1022-08IT
API No: 43-047-40192

Location: NESE, Sec. 8, T10S, R22E
Lease No: UTU-01196E
Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist:	David Gordon	(435) 781-4424	

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	- Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	- Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	- Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	- Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	- Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

Golden Eagle - January 1 through August 31
No drilling or construction during the above indicated dates unless nest is not active.
Per recommendation of the BLM authorized agent.

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- A copy of Kerr McGee's Standard Operating Practices (SOP version: dated 7/17/08 and approved 7/28/08) shall be on location.
- Drilling plan specifics and practices are referenced in the Kerr McGee Oil & Gas Standard Operating Procedures (SOP version: July 28, 2008). The operators drilling plan items 3 to 9 reference the SOP. Kerr McGee shall adhere to the referenced requirements in the SOP.
Kerr McGee and their contractors shall adhere to all Oil and Gas rules and requirements listed in the Code of Federal Regulations and all Federal Onshore Oil and Gas Orders except where variances have been granted.
- Covering air/gas drilling operations, requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- Production casing cement shall be brought up and into the surface casing. Production casing minimum cement top is 1200 ft. The minimum cement top is approximately 800 ft above the surface casing shoe.
Cmnt Top (TOC) standard will place cmnt behind casing across formation lost circulation zone, Birds Nest Zone.
COA specification fulfills operators performance standard stated in APD (where operators toc is calc'd with an excess to reach surface).
- A Gamma Ray well Log shall be run from the well Total Depth to the surface.
A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU01196E
2. Name of Operator KERR-MCGEE OIL&GAS ONSHORE LP Contact: KATHY SCHNEEBECK DULNOAN Email: kathy.schneebeckdulnoan@anadarko.com		6. If Indian, Allottee or Tribe Name
3a. Address PO BOX 173779 DENVER, CO 80123	3b. Phone No. (include area code) Ph: 720-929-6007 Fx: 720-929-7007	7. If Unit or CA/Agreement, Name and/or No. 891008900A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T10S R22E NESE 1757FSL 323FEL 39.96097 N Lat, 109.45457 W Lon		8. Well Name and No. NBU 1022-081T
		9. API Well No. 43-047-40192
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change to Original A PD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a change to the surface location of this well to accomodate the new drilling rigs.

The surface location is changing
FROM: 1757' FSL 323' FEL
TO: 1783' FSL 353' FEL

631989X 39.961042
44243674 -109.454685

COPY SENT TO OPERATOR

Date: 4.14.2009

Initials: KS

Please see the attached revised survey plats and interference diagram reflecting this change in surface location. All other information remains the same, including the amount of disturbance.

If you have any questions, please contact the undersigned. Thank you.

**Federal Approval of this
Action is Necessary**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #68696 verified by the BLM Well Information System For KERR-MCGEE OIL&GAS ONSHORE LP, sent to the Vernal	
Name (Printed/Typed) KATHY SCHNEEBECK DULNOAN	Title STAFF REGULATORY ANALYST
Signature <i>Kathy Schneebeck Dulnoan</i> (Electronic Submission)	Date 04/05/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>Bradley G. Hill</i>	Title BRADLEY G. HILL	Date <u>04-09-09</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office ENVIRONMENTAL MANAGER

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

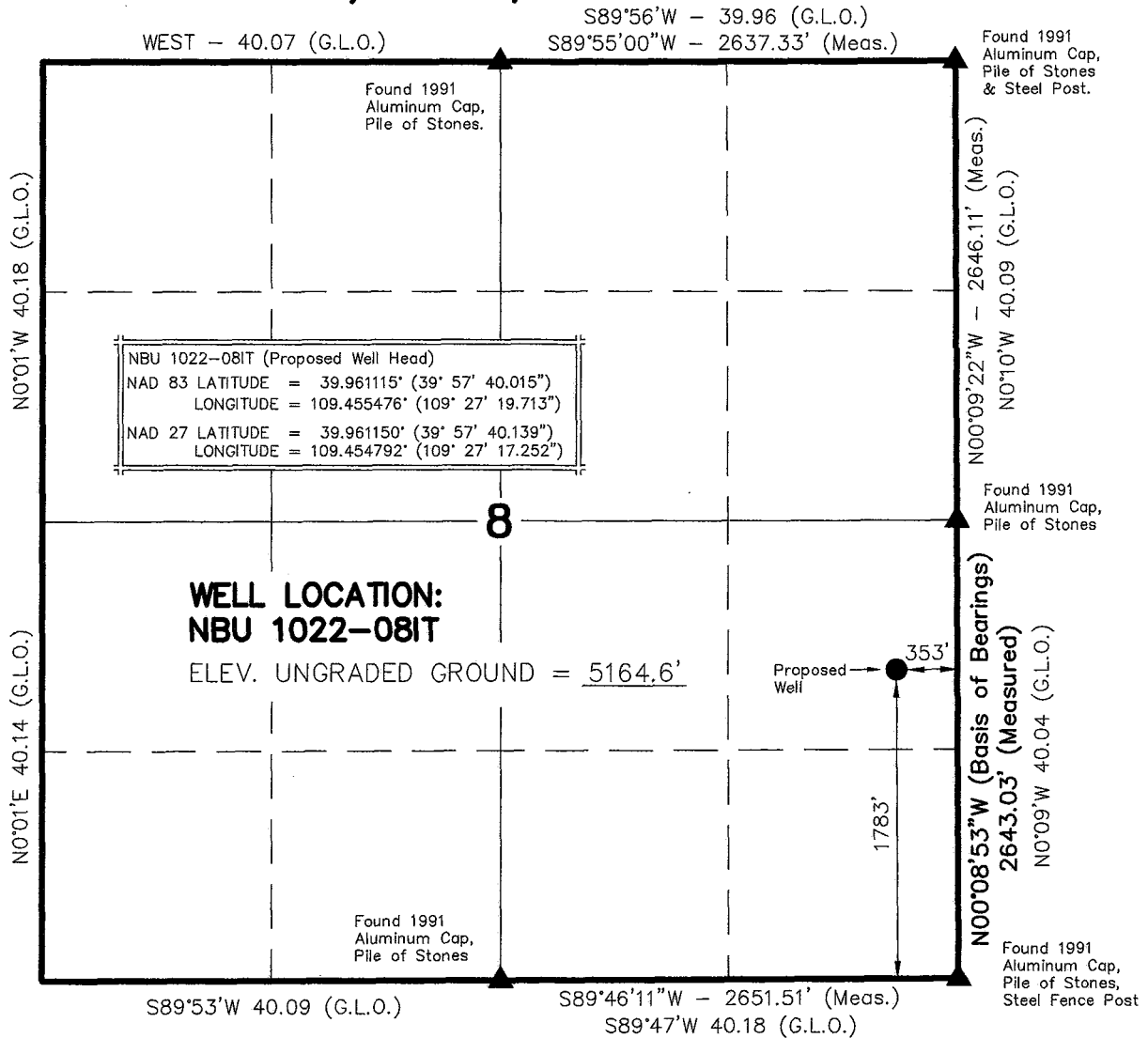
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED

APR 09 2009

DIV. OF OIL, GAS & MINING

T10S, R22E, S.L.B.&M.



NOTES:

- ▲ = Section Corners Located
- 1. Well footages are measured at right angles to the Section Lines.
- 2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
- 3. Bearings are based on Global Positioning Satellite observations.
- 4. Basis of elevation is Tri-Sta "Two Water" located in the NW $\frac{1}{4}$ of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.

Kerr-McGee
Oil & Gas Onshore, LP
 1099 18th Street, Suite 1200 - Denver, Colorado 80202

NBU 1022-08IT
WELL PLAT
1783' FSL, 353' FEL
NE $\frac{1}{4}$ SE $\frac{1}{4}$ OF SECTION 8, T10S, R22E,
S.L.B.&M. UTAH COUNTY, UTAH.

CONSULTING, LLC
 371 Coffeen Avenue
 Sheridan WY 82801
 Phone 307-674-0609
 Fax 307-674-0182



SCALE

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF LAND SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
 REGISTRATION No. 362251
 STATE OF UTAH
 KERRY R. KAY

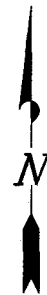
TIMBERLINE

ENGINEERING & LAND SURVEYING, INC.
 209 NORTH 300 WEST - VERNAL, UTAH 84078

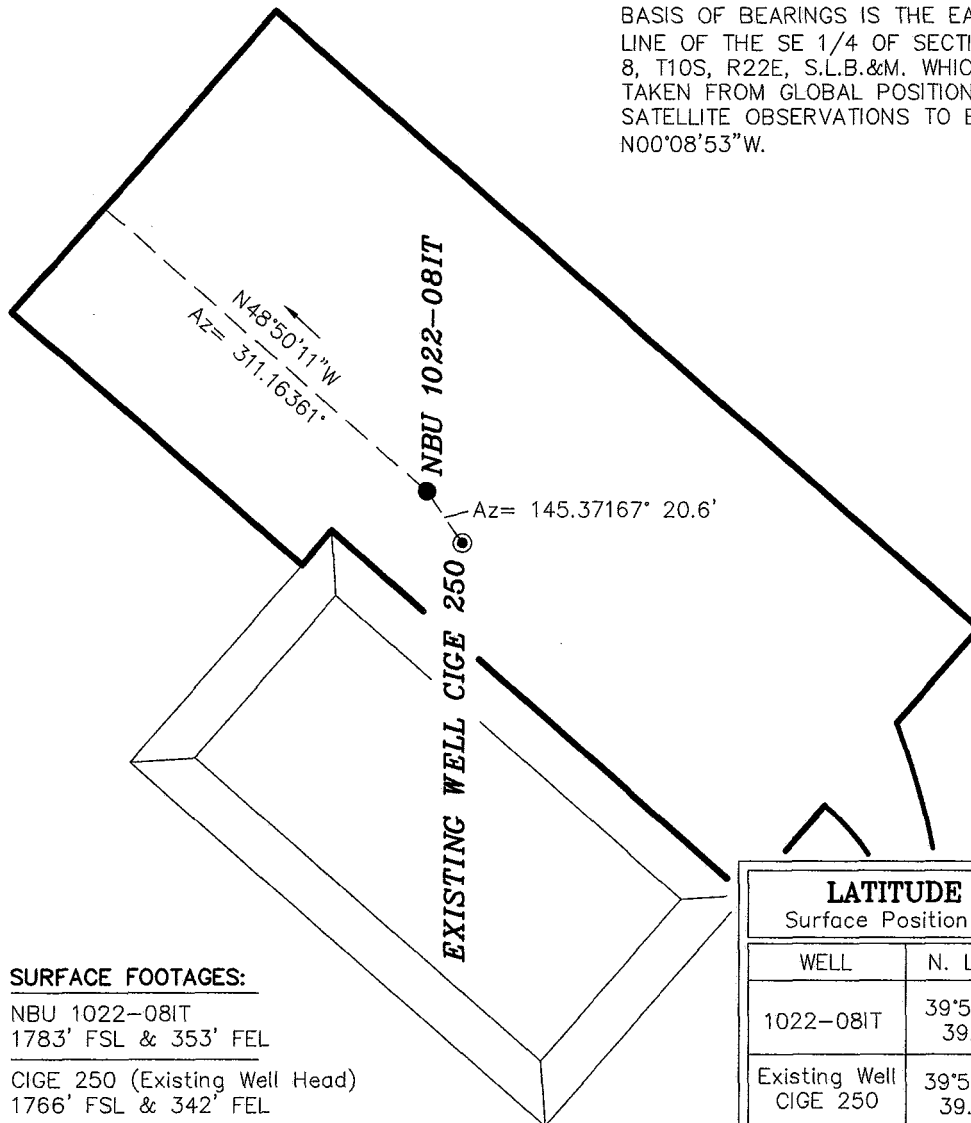
DATE SURVEYED: 06-02-08	SURVEYED BY: B.J.S.	SHEET 2 OF 7
DATE DRAWN: 06-04-08	DRAWN BY: J.R.S.	
SCALE: 1" = 1000'	Date Last Revised: 03-18-09	

WELL PAD INTERFERENCE PLAT

NBU 1022-08IT



BASIS OF BEARINGS IS THE EAST
LINE OF THE SE 1/4 OF SECTION
8, T10S, R22E, S.L.B.&M. WHICH IS
TAKEN FROM GLOBAL POSITIONING
SATELLITE OBSERVATIONS TO BEAR
N00°08'53"W.



SURFACE FOOTAGES:

NBU 1022-08IT
1783' FSL & 353' FEL

CIGE 250 (Existing Well Head)
1766' FSL & 342' FEL



Kerr-McGee
Oil & Gas Onshore, LP
1099 18th Street - Denver, Colorado 80202

NBU 1022-08IT
LOCATED IN SECTION 8, T10S, R22E,
S.L.B.&M. UTAH COUNTY, UTAH.



CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

LATITUDE & LONGITUDE

Surface Position - (NAD 83)

WELL	N. LATITUDE	W. LONGITUDE
1022-08IT	39°57'40.015" 39.961115°	109°27'19.713" 109.455476°
Existing Well CIGE 250	39°57'39.848" 39.961069°	109°27'19.563" 109.455434°

LATITUDE & LONGITUDE

Surface Position - (NAD 27)

WELL	N. LATITUDE	W. LONGITUDE
1022-08IT	39°57'40.139" 39.961150°	109°27'17.252" 109.454792°
Existing Well CIGE 250	39°57'39.972" 39.961103°	109°27'17.102" 109.454751°

DATE SURVEYED: 06-02-08

SURVEYED BY: B.J.S.

DATE DRAWN: 11-18-08

DRAWN BY: M.W.W.

REVISED: 03-19-09

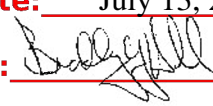
Timberline

(435) 789-1365

Engineering & Land Surveying, Inc.

209 NORTH 300 WEST VERNAL, UTAH 84078

SHEET
2b
OF 7

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9			
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E			
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-08IT			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000			
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
COUNTY: UINTAH		STATE: UTAH			
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 7/10/2009 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____ </td> </tr> </table>		<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: _____
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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.					
<div style="text-align: right;"> Approved by the Utah Division of Oil, Gas and Mining </div>		Date: July 13, 2009 By: 			
NAME (PLEASE PRINT) Danielle Piernot		PHONE NUMBER 720 929-6156			
SIGNATURE N/A		TITLE Regulatory Analyst DATE 7/7/2009			

RECEIVED July 07, 2009



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047401920000

API: 43047401920000

Well Name: NBU 1022-08IT

Location: 1783 FSL 0353 FEL QTR NESE SEC 08 TWP 100S RNG 220E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 7/16/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Approved by the
Utah Division of
Oil, Gas and Mining

Signature: Danielle Piernot

Date: 7/7/2009

Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: July 13, 2009

By: 

RECEIVED July 07, 2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-08IT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 9/30/2009	<input type="checkbox"/> CASING REPAIR	
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: _____	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 09/30/2009 AT 10:00 HRS.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 01, 2009		
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 10/1/2009	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/4/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
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	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER:	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
MIRU PROPETRO AIR RIG ON 10/2/2009. DRILLED 12-1/4" SURFACE HOLE TO 2,141'. RAN 9-5/8" 36# J-55 SURFACE CSG. PUMPED 200 BBL H2O AHEAD, 20 BBLS GEL H2O. CMT W/300 SX CLASS G PREM TAIL @ 15.8 PPG, 1.15 YIELD. TOP OUT CMT W/400 SX CLASS G PREM @ 15.8 PPG, 1.15 YIELD. NO CMT TO SURFACE. WORT.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 06, 2009		
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 10/5/2009	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-08IT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/23/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> CHANGE WELL TYPE	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> NEW CONSTRUCTION	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input type="checkbox"/> PLUG BACK	
	<input type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TEMPORARY ABANDON	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER DISPOSAL	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> APD EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: _____	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. FINISHED DRILLING FROM 2141' TO 8915' ON 10/22/2009. RAN 4-1/2" 11.6# I-80 CSG. PUMP 40 BBLS WATER. LEAD CMT W/647 SX CLASS G PRE LITE @ 12.1 PPG, 2.23 YIELD. TAILED CMT W/1300 SX CLASS G 50/50 POZ MIX @ 14.3 PPG, 1.31 YIELD. DROP PLUG & DISPLACE W/138 BBLS WATER W/ CLAYTREAT, MAGNACIDE, & CORR INHIBITER. BUMP PLUG W/3250 PSI ORIGINAL PUMP PSI 2601, 652 OVER PSI, 100% RETURNS WITH 80 BBLS CMT BACK TO SURFACE. RELEASE PIONEER 69 RIG ON 10/23/2009 AT 21:00 HRS.		
<div style="position: relative; height: 100px;"> <div style="position: absolute; top: 0; right: 0; text-align: right;"> <p style="margin: 0;">Accepted by the</p> <p style="margin: 0;">Utah Division of</p> <p style="margin: 0;">Oil, Gas and Mining</p> <p style="margin: 0;">FOR RECORD ONLY</p> <p style="margin: 0;">October 28, 2009</p> </div> </div>		
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 10/26/2009	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-08IT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000
PHONE NUMBER: 720 929-6007 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> ALTER CASING	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CASING REPAIR	
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 12/5/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	
	<input type="checkbox"/> CHANGE TUBING	
	<input type="checkbox"/> CHANGE WELL STATUS	
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	
	<input type="checkbox"/> DEEPEN	
	<input type="checkbox"/> FRACTURE TREAT	
	<input type="checkbox"/> OPERATOR CHANGE	
	<input type="checkbox"/> PLUG AND ABANDON	
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	
	<input type="checkbox"/> RECLAMATION OF WELL SITE	
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	
	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	
	<input type="checkbox"/> TUBING REPAIR	
	<input type="checkbox"/> VENT OR FLARE	
	<input type="checkbox"/> WATER SHUTOFF	
	<input type="checkbox"/> SI TA STATUS EXTENSION	
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	
	<input type="checkbox"/> OTHER: _____	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 12/5/2009 AT 11:00 A.M. PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY December 07, 2009		
NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 12/7/2009	

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-8IT	Spud Conductor: 9/30/2009	Spud Date: 10/2/2009
Project: UTAH-UINTAH	Site: CIGE 250 PAD	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 9/30/2009	End Date: 10/23/2009
Active Datum: RKB @5,183.00ft (above Mean Sea Level)	UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
10/2/2009	0:00 - 5:30	5.50	DRLSUR	01	A	P		RIG DOWN MOVE
	5:30 - 8:30	3.00	DRLSUR	01	B	P		RIG UP TO SPUD 12.25 HOLE
	8:30 - 10:00	1.50	DRLSUR	02	B	P		AIR HAMMER 120'
	10:00 - 19:00	9.00	DRLSUR	08	A	Z		WORK ON TOP HEAD TOP , BOTTOM SEALS OUT
	19:00 - 20:00	1.00	DRLSUR	06	A	P		P/U BHA MWD TOOLS
	20:00 - 0:00	4.00	DRLSUR	02	B	P		DRILL F/ 120' TO 550 WT 18 20 K RPM 40 MM RPM 118 650 GPM ON BOTTOM PSI 1600 OFF BOTTOM PSI 1350
10/3/2009	0:00 - 15:00	15.00	DRLSUR	02	B	P		DRILL F/ 550 TO 1910 WT 18-19 K RPM 40 MM RPM 118 GPM 650 ON BOTTOM 1450 OFF BOTOM 1150 90.7 FT PER HR. ROP
	15:00 - 0:00	9.00	DRLSUR	08	A	Z		TOP HEAD BEAING OUT PULLED 70 OFF BOTTOM LAY DRRICK OVER & CHANGE OUT TOP HEAD
10/4/2009	0:00 - 1:00	1.00	DRLSUR	08	A	Z		CHANGING OUT TOP HEAD CIRC. TIH 70'
	1:00 - 4:00	3.00	DRLSUR	02	B	P		DRL F/ 1910 TO 2141
	4:00 - 5:00	1.00	DRLSUR	05	A	P		CRIC. HOLE CLEAN , PUMP SWEEPS.
	5:00 - 8:00	3.00	DRLSUR	06	A	P		TOH L/D DP & RIG DRILL COLLARS
	8:00 - 11:00	3.00	DRLSUR	22	C	X		WELL STARED FLOWING PUT AIR RUBBER BOOT BACK IN HELD SAFTY MEETIG W/ HANDS TIH W/ DP TO 1600' PUMPED 60 BBLs H2O DOWN DP WELL DEAD (FILLED RESPIT 3/4 FULL W/ H2O)
	11:00 - 13:00	2.00	DRLSUR	06	A	P		SPOT 15 BBLs 11.8 MUD , 12 % LCM @ 1600' TRIP OUT HOLE TO 1330' SPOT 15 BBLs 11.8 MUD TOH TO 1060' TOH TO 150 SPOT PILL 15 BBLs
10/16/2009	13:00 - 16:30	3.50	DRLSUR	12	A	P		R/U HELD SM RUN 48 JTS 9 5/8 J-55 # 36 LT&C SHOE @ 2111,BAFFLY @ 2068(RELEASD RIG @ 10/04/2009 16:30)R/U CMT CREW HSM TEST LINE 2000 PSI PUMPED 200BBL H2O AHEAD , 20 BBLs GEL H2O 300SX 15.8 CMT. Y 1.15 5.0 GAL SX 2% CAL. 1/4 LBSX FLOW SEAL TOP CMT 1364' ,TOP OUT #1 100 SX CMT 4% CAL. 1/4 LBS SX FLOWSEAL TOP OUTS 2 & 3 TOTAL 700 SX CMT NO CMT. TO SURFACE
	5:00 - 8:00	3.00	DRLPRO	01	E	P		RIG DOWN ON NBU 1022-8GT AND READY FOR TRUCKS.
	8:00 - 18:00	10.00	DRLPRO	01	A	P		HELD SAFETY MEETING W/ TRUCKS, RIG CREW , AND CRANE CREW. RIG DOWN AND MOVE TO NBU 1022-8IT 5 BED TRUCKS,3 HAUL TRUCKS,4 SWAMPERS, 1 TRUCK PUSHER , 2 FORKLIFTS,2 EXTRA ROUGHNECKSTRUCKS RELEASED AT 1300 HRS CREANE AT 1400 HRS, RURT
	18:00 - 22:30	4.50	DRLPRO	14	A	P		NIPPLE UP BOPE
10/17/2009	22:30 - 0:00	1.50	DRLPRO	15	A	P		SAFETY MTNG W/ TESTER & RIG CREW, TEST FLOOR VAVES,UPPER& LOWER KELLY VALVES , HIGH 5000 PSI LOW 250 PSI,
	0:00 - 4:00	4.00	DRLPRO	15	A	P		PRESS TEST, BLIND RAMS,PIPE RAMS,CHOKE VALVES,CHOKE MANIFOLD, KILL LINE, 5000 PSI HIGH, 250 PSI LOW, ANNULAR HIGH = 2500 PSI,LOW=250 PSI, CSNG TO 1500 PSI F/ 30 MIN
	4:00 - 8:00	4.00	DRLPRO	06	A	P		HELD SAFETY MTNG W/ KIMZEY PICK UP CREW AND RIG CREW,RIG UP SAME, PICK UP BHA # 1 AND D.P. RIG DOWN SAME

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-8IT		Spud Conductor: 9/30/2009		Spud Date: 10/2/2009	
Project: UTAH-UINTAH		Site: CIGE 250 PAD		Rig Name No: PIONEER 69/69, PROPETRO/	
Event: DRILLING		Start Date: 9/30/2009		End Date: 10/23/2009	
Active Datum: RKB @5,183.00ft (above Mean Sea Level)		UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	8:00 - 9:00	1.00	DRLPRO	09	A	P		CUT AND SLIP 110' DRLG LINE
	9:00 - 10:00	1.00	DRLPRO	23		P		INSTALL ROTATING HEAD RUBBER AND DRIVE BUSHINGS, PRE-SPUD INSPECTION
	10:00 - 12:30	2.50	DRLPRO	02	F	P		DRLG CMNT,FLOAT,SHOE
	12:30 - 14:00	1.50	DRLPRO	02	B	P		DRLG/SLIDE- 7 7/8" HOLE F/ 2155' TO 2277'-(122) 244' HR,
								WOB-15-17K,RPM,50,MM100-PP-1500-SPM-125-P U/SO/ROT/70/70/72,GPM-453,DIFF PRESS 250-300, MUD WT 8.4 VIS 27 SLIDES - 2257'-2267'-2345'-2365'
	14:00 - 14:30	0.50	DRLPRO	07	A	P		LUBRICATE RIG
	14:30 - 0:00	9.50	DRLPRO	02	B	P		DRILL/SLIDE F/ 2277' TO 3574' (1419') 141' HR, WOB -
								15-20K,RPM-50-MM-98-SPM-124-GPM-473-PP-120 0-1600-DIFF-250-500-PU/SO/ROT-85/75/80, MUD WT - 8.4 VIS - 27 SLIDES - 3595'-3605'-3701'-3711'
	10/18/2009 0:00 - 14:30	14.50	DRLPRO	02	B	P		DRLG F/ 3574' TO 5312' (1738') 119' HR, WOB - 18-20K-PU/SO/ROT/-135-118-126K,PP-1250-1450 PSI, GPM-473,DIFF-300-500 PSI, RPM-55,MM-98,MUD WT - 8.4 VIS 27 SLIDES 3595' TO 3605'- 3701' - 3711'
	14:30 - 15:00	0.50	DRLPRO	07	A	P		LUBRICATE RIG
	15:00 - 0:00	9.00	DRLPRO	02	B	P		DRLG F/ 5312' TO 6135' (823') 91' HR, WOB-20-22K,PU/SO/ROT/
								-148-130-145,PP-1550-1750-DIFF-200-450 PSI,GPM-473,RPM-55-MM-98 MUD WT - 8.4 VIS 27
	10/19/2009 0:00 - 14:30	14.50	DRLPRO	02	B	P		DRLG F/ 6135' TO 6986' (851') 59' HR,WOB-19-22K,PP-1650-1850 PSI,DIFF PRESS-250-480
								PSI,GPM-473,RPM-50-55,MM-98,SPM-125,UP/DWN /ROT,-155-135,145,MUD WT -86-9.1 VIS 30-33,
	14:30 - 15:00	0.50	DRLPRO	07	A	P		LUBRICATE RIG
	15:00 - 0:00	9.00	DRLPRO	02	B	P		DRLG F/ 6986' TO 7447' (461') 51' HR,WOB-20-22K,RPM-50-55-PU/SO/ROT-170-145-1
								54-GPM-473,PP-2100-2350 PSI DIFF - 250-550 PSI,MM-98-SPM-125,MUD WT - 9.9-10# VIS 34-36
	10/20/2009 0:00 - 16:00	16.00	DRLPRO	02	B	P		BG GAS 250-3000 CONN GAS 600-800- NO FLARE
								DRILL 7447' TO 8157,=710'AVG 44'/HR,WOB 20-25K,STPP2200,DIFF100-300,DHRPM 125
	16:00 - 16:30	0.50	DRLPRO	07	A	P		DAILY SERVICE
	16:30 - 20:30	4.00	DRLPRO	02	B	P		DRILL F/8157 TO 8281,124',AVG 31',WOB 24K,STPP 2300, DIFF150,DHRPM
								120,SURVEY@8216=1.93 DEG 102.48AZI
	20:30 - 21:30	1.00	DRLPRO	05	C	P		CIRC & PUMPPILL,
	21:30 - 0:00	2.50	DRLPRO	06	A	P		SAFETY MT,BLOW KELLY,POOH
	10/21/2009 0:00 - 2:30	2.50	DRLPRO	06	A	P		POOH,L/D DIR TOOLS,BIT #1 & BENT MTR
	2:30 - 8:00	5.50	DRLPRO	06	A	P		P/U STR MTR,SEC 555 BIT,TIH & HIT BRIDGE @ 7350 ,40K SLACK,KELLY UP WASH THRU TO 7430' ,TIH TO 8220'
	8:00 - 8:30	0.50	DRLPRO	03	E	P		WASH & REAM 60' TO BTM,5' FILL W/15' FLARE ,4500 UNITS BTMS UP GAS
	8:30 - 17:30	9.00	DRLPRO	02	B	P		DRILL F/8281 TO 8520,239' AVG 25',WOB 12-18,STPP 2300,DIFF 1-300 MTR STALLING OUT W/200-400 PSI DIFF
	17:30 - 18:00	0.50	DRLPRO	07	A	P		RIG SERVICE,PREP F/TRIP,CHANGE TONGDIES
	18:00 - 20:00	2.00	DRLPRO	05	C	Z		CIRC & RAISE MUD WT11.3+ TO 11.7 F/ BK GAS 2500,W/5'FLARE ON CONN, PRIOR TO TRIP
	20:00 - 0:00	4.00	DRLPRO	06	A	Z		POOH TO CHANGE MUD MTR,TIGHT OFF BTM 8440',50K OVER

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-8IT		Spud Conductor: 9/30/2009		Spud Date: 10/2/2009	
Project: UTAH-UINTAH		Site: CIGE 250 PAD		Rig Name No: PIONEER 69/69, PROPETRO/	
Event: DRILLING		Start Date: 9/30/2009		End Date: 10/23/2009	
Active Datum: RKB @5,183.00ft (above Mean Sea Level)		UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
10/22/2009	0:00 - 4:30	4.50	DRLPRO	06	A	P		TIH W/NEW MTR & BIT
	4:30 - 12:00	7.50	DRLPRO	02	B	P		DRILL F/8520 TO TD 8915',395' AVG 53,WOB18,BHRPM 110,STPP 2450,DIFF 250,MUD WT 12.1/45, BKGGAS 400,ROTWT 178 UP200K,SLACK 8-10K
	12:00 - 13:00	1.00	DRLPRO	05	C	P		CIRC BTMS UP W/120 UNITS BK GAS
	13:00 - 13:30	0.50	DRLPRO	06	E	P		SHORTTRIP UP TO 8280',NO PROBLEMS
	13:30 - 15:30	2.00	DRLPRO	05	C	P		CIRC BTMS UP TWICE,TO LDDP, BK GAS 200-HI 3520,BK 85,NO FLARE
	15:30 - 22:00	6.50	DRLPRO	06	B	P		,DROP SURVEY,,LDDP & BHA,BREAKKELLY,PULL WEARRING,SURVEY=2.15
	22:00 - 0:00	2.00	EVALPR	11	D	P		SAFETY MEET W/BAKER ATLAS,R/U AND RUN TRIPLE COMBO LOGS TO (LOGGERS DEPTH@ 8920'),,MONITOR WELLBORE
								TRIPLE COMBO TO LOGGERS DEPTH 8920'
10/23/2009	0:00 - 5:30	5.50	EVALPR	11	D	P		SAFETY MEET ,R/U RUN 214 & 1MARKER TO 8904'
	5:30 - 11:30	6.00	CSG	12	C	P		HOOK UP BJ HEAD @ CIRC OUT GAS W/ RIG PUMP
	11:30 - 13:00	1.50	CSG	05	D	P		SAFETY MEETING. SWITCH LINES & PSI TEST TO 4500 PSI. PUMP 40 BBLS WATER. PUMP LEAD 256.96 BBLS, 647 SCKS PREMIUM LITE 11CEMENT@ 12.1 PPG,2.23cf/SACK YIELD. PUMP TAIL 303.20 BBLS,1300 SCKS 50:50:2 POZ MIX CMT@14.3 PPG,1.31cf/SACK YIELD. DROP PLUG & DISPLACE W/ 138 BBLS WATER w/CLAYTREAT,MAGNACIDE & CORR INHIBITER. BUMP PLUG W/ 3253 PSI. ORIGINAL PUMP PSI 2601, 652 OVER PSI, 100% RETURNS WITH 80 BBLS CMT BACK TO SURFACE. SET CSG W/ 80K STRING WT. TOP OF TAIL @ 3500
	13:00 - 16:00	3.00	CSG	12	E	P		NIPPLE DOWN BOP,CHOKE,ETC & CLEAN MUD PITS. RELEASE RIG @ 21:00 10/23/2009
	16:00 - 21:00	5.00	CSG	14	A	P		

RECEIVED December 07, 2009

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-8IT	Spud Conductor: 9/30/2009	Spud Date: 10/2/2009
Project: UTAH-UINTAH	Site: CIGE 250 PAD	Rig Name No: MILES 2/2, LEED 733/733
Event: COMPLETION	Start Date: 11/24/2009	End Date:
Active Datum: RKB @5,183.00ft (above Mean Sea Level)		UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
11/24/2009	6:45 - 7:00	0.25	COMP	48		P		JSA- PU TBG.
	7:00 - 17:00	10.00	COMP	31	I	P		(MIRU. NU BOP. RU FLOOR ON 11/23) MU 3-7/8" BIT, BIT SUB, AND 1.87" XN. RIH AS MEAS AND PU 280-JTS TO TAG AT 8855'. CIRC CLEAN (SOFT CMT). POOH AS LD 28-JTS AND SB 252-JTS. SDFN
11/25/2009	6:45 - 7:00	0.25	COMP	48		P		JSA- PRESSURE TESTING.
	7:00 - 12:00	5.00	COMP	33	C	P		RD FLOOR. ND BOP. NU FRAC VALVES. RU FLOOR. TAKE CSG PRESSURE TO 2000 WITH RIG PUMP. HOOK UP B & C AND PRESSURE TEST FRAC VALVES AND CSG TO 7000 PSI. GOOD. WINTERIZE AND SDFWE.
11/30/2009	6:00 - 6:15	0.25	COMP	48		P		JSA-- EWL, PERF, AND FRAC.
	6:15 - 7:30	1.25	COMP	37	B	P		RU CUTTERS AND FRAC TECH. STG #--1 RIH W/ 3-1/8" EXP GUN (23 GRAM, 40" PENT, .34" EHD, 4 SPF ON 90* PHASING) PERF 8810'-12', 8749'-51, 8734'-36', 8717'-19', AND 8647'-49'.
	7:30 - 8:35	1.08	COMP	36	B	P		STG #--1 OPEN WELL 225 PSI. BRK 3766 PSI AT 4.0 BPM, ISIP 2528, FG .72. PMP 100 BBLS SLK WTR, 49 BPM @ 4900 PSI = 100% PERFS OPEN. MP 6050, MR 51.2, AP 4450, AR 49.5, FG .72, ISIP 2475, NPI -53. BBLS PMP 1416 SLK WTR, 46,780# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 51,780#) PMP SCALE INHIB AS PER DESIGN.
	8:35 - 9:35	1.00	COMP	37	B	P		STG #2--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90* PHASING) SET CBP AT 8562'. PERF AT 8530'-32', 8515'-17', 8428'-30', 8401'-03', AND 8385'-87'.
	9:35 - 10:35	1.00	COMP	36	B	P		STG #2-- OPEN WELL- 1000 PSI. BRK 4131 PSI AT 3.4 BPM, ISIP 2611, FG .74. PMP PAD, 46 BPM @ 6050 PSI = 51% PERFS OPEN. PMP 2nd ACID. PERFS OPEN 71% (AFTER SWEEP PERFS OPEN 100%) MP 6336, MR 51.0, AP 4850, AR 50.2, FG .74, ISIP 2570, NPI -41. BBLS PMP 2014 SLK WTR, 71,163# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 76,163#) PMP SCALE INHIB AS PER DESIGN.
	10:35 - 11:30	0.92	COMP	37	B	P		STG #3--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90* PHASING) SET CBP AT 8362'. PERF AT 8338'-40', 8312'-14', 8292'-98', AND 8224'-25'.
	11:30 - 14:20	2.83	COMP	46	A			WAIT ON ORDERS CONCERNING SCALE INHIBITOR
	14:20 - 16:00	1.67	COMP	36	B	P		STG #3--OPEN WELL 1651 PSI. BRK 3185 PSI AT 3.1 BPM, ISIP 2513, FG .74. PMP PAD, 51 BPM @ 4800 PSI = 100% PERFS OPEN. MP 6695, MR 53.8, AP 4600, AR 47.4, SCREENED OFF DURING FLUSH. 72 BBL SHORT. FLOW BACK 150 BBL AND REFLUSH. FG .76, ISIP 2700, NPI 187. BBLS PMP 2155 SLK WTR, 85,61P# 30/50 AND 5,000# 40/20 RESIN, DID NOT GET RESIN INTO FORM. (TOT PROP INTO FORM 85,651# 30/50) .

RECEIVED December 07, 2009

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-8IT		Spud Conductor: 9/30/2009		Spud Date: 10/2/2009	
Project: UTAH-UINTAH		Site: CIGE 250 PAD		Rig Name No: MILES 2/2, LEED 733/733	
Event: COMPLETION		Start Date: 11/24/2009		End Date:	
Active Datum: RKB @5,183.00ft (above Mean Sea Level)		UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
12/1/2009	16:00 - 17:00	1.00	COMP	37	C	P		STG #4--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90° PHASING) SET CBP AT 8170'. PERF AT 8134'-40' AND 8094'-98'. WINTERIZE FRAC VALVES. SDFN
	17:00 - 17:30	0.50	COMP	30				JSA- EWL, PERF, AND FRAC
	6:45 - 7:00	0.25	COMP	48		P		CHEM PMPS NOT WORKING RIGHT. USED BUCKET TO ADD F.R.
	7:00 - 8:45	1.75	COMP	36	B	P		STG #4--OPEN WELL- 2300 PSI. BRK 3112 PSI AT 4.5 BPM, ISIP 2355, FG .72. PMP PAD- 51 BPM @ 5500 PSI = 75% PERFS OPEN. MP 6330, MR 52.2, AP 4825, AR 50.7, FG .83, ISIP 3207, NPI 852. BBLs PMP 1467 SLK WTR, 56,361# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 61,361#) PMP SCALE INHIB 1.3 GPT DURING PAD AND RAMPS AND 10 GPT DURING FLUSH.
	8:45 - 9:40	0.92	COMP	37	B	P		STG #5--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90° PHASING) SET CBP AT 7761'. PERF AT 7728'-31', 7706'-10', AND 7625'-28'.
	9:40 - 10:25	0.75	COMP	36	B	P		STG #5--OPEN WELL- 325 PSI. BRK 3656 PSI AT 4.0 BPM, ISIP 2590, FG .77. PMP PAD- 50.0 BPM @ 5500 PSI = 70% PERFS OPEN. MP 6336, MR 50.3, AP 5210, AR 49.1, FG .81, ISIP 2924, NPI 334. BBLs PMP 850 SLK WTR, 26,822# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 31,822#) PMP SCALE INHIB 1.2 GPT DURING PAD AND RAMPS AND 10 GPT DURING FLUSH.
	10:25 - 11:15	0.83	COMP	37	B	P		STG #6--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90° PHASING) SET CBP AT 7250'. PERF AT 7218'-20', 7182'-84', 7158'-60', AND 7126'-30'.
	11:15 - 11:45	0.50	COMP	36	B	P		STG #6--OPEN WELL- 156 PSI. BRK 2387 PSI AT 4.0 BPM, ISIP 1501, FG .64. PMP PAD- 50.0 BPM @ 4400 PSI = 68% PERFS OPEN. MP 5400, MR 53.1, AP 4090, AR 50.8, FG .76, ISIP 2322, NPI 821. BBLs PMP 1133 SLK WTR, 40,259# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 45,259#) PMP SCALE INHIB 1.3 GPT DURING PAD AND RAMPS AND 10 GPT DURING FLUSH.
	11:45 - 12:20	0.58	COMP	37	B	P		STG #7--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90° PHASING) SET CBP AT 7095'. PERF AT 7072'-74', 7026'-28', 6924'-26', 6902'-04', AND 6887'-89'.
	12:20 - 13:05	0.75	COMP	36	B	P		STG #7--OPEN WELL- 89 PSI. BRK 3202 PSI AT 4.7 BPM, ISIP 1468, FG .64. PMP PAD- 50.5 BPM @ 4700 PSI = 60% PERFS OPEN. MP 5251, MR 52.7, AP 3850, AR 50.8, FG .68, ISIP 1711, NPI 243. BBLs PMP 1151 SLK WTR, 41,990# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 46,990#) PMP SCALE INHIB 1.27 GPT DURING PAD AND RAMPS AND 10 GPT DURING FLUSH.
	13:05 - 13:50	0.75	COMP	37	B	P		STG #8--RIH W/ 4-1/2" HAL CO CBP AND 3-1/8" EXP GUN (23 GRAM, 40" PSIT, .34" EHD, 4 SPF ON 90° PHASING) SET CBP AT 6841'. PERF AT 6808'-11', 6748'-51', AND 6710'-14'.

RECEIVED December 07, 2009

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-8IT		Spud Conductor: 9/30/2009	Spud Date: 10/2/2009
Project: UTAH-UINTAH	Site: CIGE 250 PAD		Rig Name No: MILES 2/2, LEED 733/733
Event: COMPLETION	Start Date: 11/24/2009	End Date:	
Active Datum: RKB @5,183.00ft (above Mean Sea Level)		UWI: NE/SE/O/10/S/22/E/8/O/0/26/PM/S/1,783.00/E/0/353.00/O/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
12/2/2009	13:50 - 14:20	0.50	COMP	36	B	P		STG #8--OPEN WELL- 89 PSI. BRK 2569 PSI AT 4.6 BPM, ISIP 1746, FG .69. PMP PAD- 51.0 BPM @ 3650 PSI = 100% PERFS OPEN. MP 4108, MR 52.0, AP 3635, AR 50.1, FG .73, ISIP 1995, NPI 249. BBLS PMP 1171 SLK WTR, 48,353# 30/50 AND 5,000# 40/20 RESIN (TOT PROP 53,353#) PMP SCALE INHIB 1.9 GPT DURING PAD AND RAMPS AND NONE DURING FLUSH
	14:20 - 15:00	0.67	COMP	34	I	P		RIH W/ 4-1/2" HALCO CBP AND SET KILL PLUG AT 6663'.
	15:00 - 17:30	2.50	COMP	31	I	P		RDMO CUTTERS AND FRAC TECH. RD FLOOR. ND FRAC VALVES. NU BOP. RU FLOOR AND TBG EQUIP. RIH W/ 3-7/8" HURRICANE MILL, POBS, AND 1.87" XN ON 160-JTS 2-3/8" N-80 TBG. SDFN
	6:45 - 7:00	0.25	COMP	48		P		TOTALS PMP SAND 452,347# WTR 11,357 BBL SCALE INHIB 981 GAL, BIOCID 244 GAL. JSA- PWR SWIVEL. D/O PLUGS.
	7:00 - 15:00	8.00	COMP	44	C	P		OPEN WELL UP. CONT RIH W/ 3-7/8" MILL (POBS) ON 2-3/8" J-55 TBG. TAG AT 6642' W/ 210-JTS IN. RU DRLG EQUIP. FILL TBG AND P-TEST TO 3000 PSI. GOOD. EST CIRC AND D/O PLUGS.
12/3/2009								#1- C/O 10' SAND TO CBP AT 6663', D/O IN 15 MIN. 100# INC.
	6:45 - 7:00	0.25	COMP	48		P		AS UNSCREW SWIVEL HAD 2" STREAM OF WTR COMING UP TBG. PMP DOWN TBG, SURGE TBG. FLOATS NOT HOLDING. RD PWR SWIVEL AND BOUNCE TBG AS PMP AND SURGE. FLOATS STILL NOT HOLDING. LET CSG FLOW.
								POOH W/ 100 JTS AFTER TBG QUIT FLOWING. HAVE 110-JTS IN. SDFN W/ FLOW BACK CREW WATCHING CSG FLOW TO PIT OVERNIGHT.
								RCVR 700 BBLS TODAY. JSA- POOH.

RECEIVED December 07, 2009

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-8IT	Spud Conductor: 9/30/2009	Spud Date: 10/2/2009
Project: UTAH-UINTAH	Site: CIGE 250 PAD	Rig Name No: MILES 2/2, LEED 733/733
Event: COMPLETION	Start Date: 11/24/2009	End Date:
Active Datum: RKB @5,183.00ft (above Mean Sea Level)		
UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:00 - 18:30	11.50	COMP	31	I	P		CSG FLOWED OVER NIGHT W/ FLOW BACK CREW. MADE 815 BBL OVER NIGHT. HAVE GAS WITH LIGHT TRICKLE OF WTR AND CONDENSATE. SITP 400. ATTEMPT TO PMP- HAVE FROZEN KELLY HOSE. 1-HR TO GET THAWED. PMP 50 BLS DOWN TBG TO CONTROL WELL. TRICKLE DOWN CSG AS CONT POOH W/ 110-JTS 2-3/8" J-55 TBG. POBS ALL INTACK. X-OUT POBS AND RIH W/ 3-7/8" HURRICANE MILL (RR), POBS, 1.87" XN (RR) ON 2-3/8" J-55 TBG. NOTE: TORE DOWN STRING FLOATS, TOP FLOAT RUBBER NOT SETTING IN RIGHT AND LOOKS LIKE SOMETHING HAD BEEN HOLDING BTM FLOAT OPEN. DID NOT TEAR POBS APART. TAG SAND AT 6642' W/ 215-JTS IN. PU PWR SWIVEL. PMP 30 BBLs AND START D/O PLUGS. #2- C/O 30' SAND TO CBP AT 6841'. D/O IN 8 MIN. 25# INC. RIH #3- C/O 30' SAND TO CBP AT 7095'. D/O IN 8 MIN. 100# INC. RIH #4- C/O 30' SAND TO CBP AT 7250'. D/O IN 8 MIN. 100# INC. RIH #5- C/O 30' SAND TO CBP AT 7761'. D/O IN 15 MIN. 300# INC. RIH #6- C/O 30' SAND TO CBP AT 8170'. D/O IN 5 MIN. 500# INC. RIH #7- C/O 12' SAND TO CBP AT 8362'. D/O IN 10 MIN. 100# INC. RIH #8- C/O 30' SAND TO CBP AT 8562'. D/O IN 8 MIN. 25# INC. RIH PBTD- C/O 60' SAND TO PBTD AT 8859' W/ 279-JTS IN AND 10' SUB. (47' RATHOLE). CIRC CLEAN. RD PWR SWIVEL. POOH AS LD 16-JTS TBG. PU 7-1/16" 5K HANGER. LUB IN, FLUSH BOWL, LAND 263-JTS 2-3/8" J-55 W/ EOT AT 8354.72'. RD FLOOR. DROP BALL. ND BOP. NU WH. RELEASE POBS AT 2200 PSI. LEFT WELL SHUT IN FOR 30-MIN. TURN WELL OVER TO FLOW BACK CREW. WILL RD IN AM. TBG DETAIL KB 18.00 PMP 11357 BBL 7-1/16" 5K HNGR 1.00 RCVR 3365 BBL 263-JTS L-80 TBG 8333.52 LTR 7792 BBL 1.87" XN (FE) 2.20 293-JTS DELIVERED EOT 8354.72 30-JTS RETURNED 7 AM FLBK REPORT: CP 2850#, TP 1750#, 20/64" CK, 46 BWPH, LIGHT SAND, LIGHT GAS TTL BBLs RECOVERED: 4041 BBLs LEFT TO RECOVER: 7316 WELL TURNED TO SALE @ 1100 HR ON 12/5/09 - FTP 2250#, CP 3150#, 0 MCFD, 34 BWPD, 20/64 CK
12/4/2009	7:00 -			33	A			
12/5/2009	11:00 -		PROD	50				

RECEIVED December 07, 2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-08IT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000
PHONE NUMBER: 720 929-6515 Ext		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

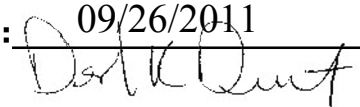
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/21/2011 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input checked="" type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

 The operator requests approval to conduct wellhead/casing repair operations on the subject well location. Please find the attached procedure for the proposed repair work on the subject well location.

**Accepted by the
Utah Division of
Oil, Gas and Mining**

Date: 09/26/2011

By: 

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 9/21/2011	

WORKORDER #:

Name: NBU 1022-8IT - CIGE 250 PAD
Surface Location: NESE Sec. 8, T10S, R22E
 Uintah County, UT

5/16/2011

API: 4304740192 **LEASE#:** UTU-01196E

ELEVATIONS: 5165' GL 5183' KB

TOTAL DEPTH: 8915' **PBTD:** 8861'

SURFACE CASING: 9 5/8", 36# J-55 @ 2129'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 @ 8904'
 TOC @ Surface per CBL

PERFORATIONS: Wasatch 6710' - 6751'
 Mesaverde 6808' - 8812'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02171	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 36# J-55	8.921	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 1/2" 11.6# csg				0.4227	0.0565	0.01

GEOLOGICAL TOPS:

1099' Green River
 1841' Mahogany
 4339' Wasatch
 6781' Mesaverde

NBU 1022-8IT- WELLHEAD REPAIR PROCEDURE

PREP-WORK PRIOR TO MIRU:

1. Dig out down to the 2" surface casing valve or to the valve on the riser off the surface casing.
2. Install a tee with 2 valves, with a pressure gauge and sensor on one valve.
3. Open casing valve and record pressures.
4. Install nipple and steel hose on the other valve, the relief valve,. Do not use hammer unions. No impact equipment or tools to be used for any of this installation. Extend hose and hard piping to a downwind location at least 100' from the wellhead. Consider installing a manifold so that vent area could be in two locations approx. 90 degrees apart from the wellhead.
5. Open the relief valve and blow well down to the atmosphere.
6. Make a determination of amount of gas flow, either by installation of a choke nipple, bucket test or other.
7. Shut well in. Observe for rate of build-up by utilizing sensor data. Do not build-up for more than 24 hours. Vent gas through the vent line and leave open to the atmosphere.

WORKOVER PROCEDURE:

1. MIRU workover rig.
2. Kill well with 10# brine / KCL (dictated by well pressure).
3. Remove tree, install double BOP with blind and 2 3/8" pipe rams, with accumulator closing unit and manual back-ups. Function test BOP system.
4. POOH w/ tubing laying down extra tubing.
5. Rig up wireline service. RIH and set CBP @ ~6660'. Dump bail 4 sx cement on top of plug. POOH and RD wireline service. TIH w/ tubing and seating nipple. Land tubing ±60' above cement. RDMO.
6. Monitor well pressures. If surface casing is dead. MIRU. ND WH and NU BOP. POOH w/ tubing.
7. Depending on conditions at wellsite, continue with either CUT/PATCH Procedure or BACK-OFF Procedure.

CUT/PATCH PROCEDURE:

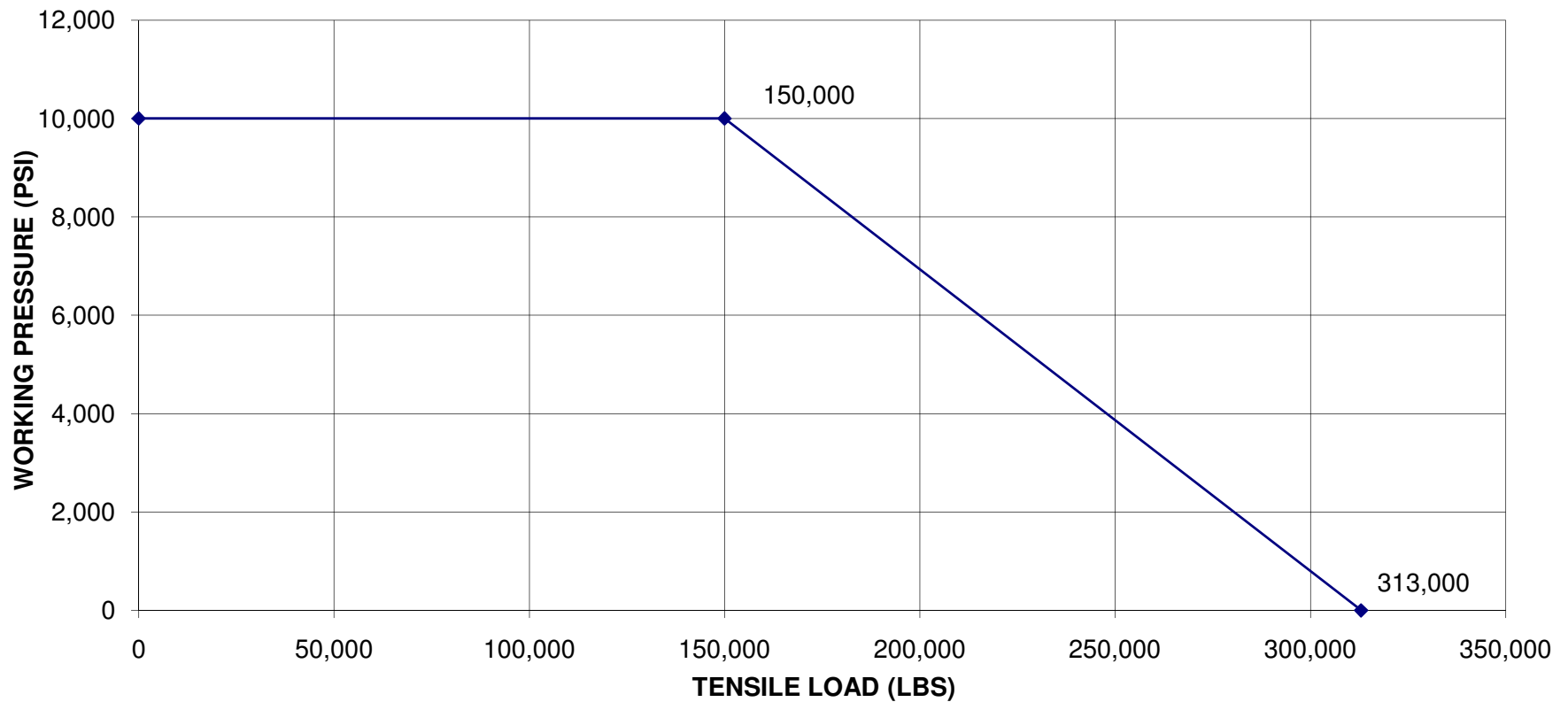
1. PU internal casing cutters and RIH. Cut casing at +/- 30' from surface.
2. POOH, LD cutters and casing.
3. PU 7 3/8" overshoot with 4 1/2" right hand standard wicker grapple, 1 - 4 3/4" drill collar with 3 1/2" IF threads, pup joint, manual bumper sub, and crossovers. If casing cut is deeper than ±30' utilize >7000 ft-lb torque pipe as needed. Pull a minimum of 10,000# to keep grapple engaged if cement top is high (<~900'). If cement top is low (>~900'), more weight will be required to put casing in neutral. Torque casing string to ±7000 ft-lbs, count number of turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out, release overshoot, POOH, and lay down.
4. TIH w/ skirted mill and dress off the fish top for approximately 1/2 hour. TOOH.
5. PU & RIH w/ 4 1/2" 10k external casing patch on 4 1/2" P-110 casing. Ensure that sliding sleeve assembly shifts ±3' and casing tags no-go portion of patch. NOTE: Shear pins will shear at 3500 to 4500 lbs.
6. Latch fish, PU to 100,000# tension. RU B&C. Cycle pressure test to 3500 psi.
7. Install slips. Land casing w/ 80,000# tension.
8. Cut-off and dress 4 1/2" casing stub.
9. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6610'. Clean out to PBTD (8861').
10. POOH, land tbg and pump off POBS.
11. NUWH, RDMO. Turn well over to production ops.

BACK-OFF PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 6' from surface.
2. POOH, LD cutters and casing.
3. PU 4 1/2" overshoot. RIH, latch fish. Pick string weight to neutral.
4. MIRU casing crew and wireline services. RIH and shoot string shot at casing collar @ ± 46'.
5. Back-off casing, POOH.

6. PU new casing joint with buttress threads and entry guide and RIH. Tag casing top. Thread into casing and torque up to ± 7000 ft-lbs, count number of additional turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ± 7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out go to step 7.
7. PU 100,000# tension string weight. RU B&C. Cycle pressure test to 3500 psi.
8. Install slips. Land casing w/ 80,000# tension.
9. Cut-off and dress 4 1/2" casing stub.
10. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~6610'. Clean out to PBTD (8861').
11. POOH, land tbg and pump off POBS.
12. NUWH, RDMO. Turn well over to production ops.

**STRENGTH DATA FOR LOGAN 5.88" OD "L" TYPE CSG PATCH
4-1/2 CASING, 10K PSI MAX WP 125K YIELD MAT'L
LOGAN ASSEMBLY NO. 510L-005 -000**



COLLAPSE PRESSURE:
11,222 PSI @ 0 TENSILE
8,634 PSI @ 220K TENSILE

Tensile Strength @ Yield:
Tensile Strength w/ 0 Int. Press.= 472,791lbs.
Tensile Strength w/ 10K Int. Press.= 313,748lbs.

DATA BY SLS 11/16/2009

RECEIVED Sep. 21, 2011



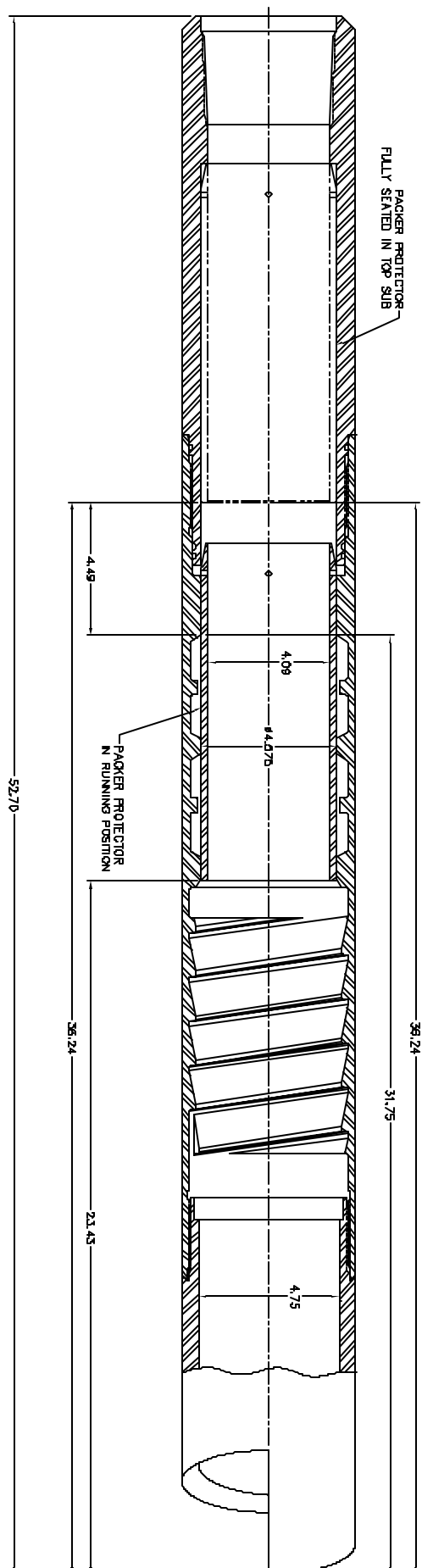
Logan High Pressure Casing Patches Assembly Procedure

All parts should be thoroughly greased before being assembled.

1. Install all four Logan Type "L" Packers in the spaces provided in the Casing Patch Bowl. Refer to diagram provided for proper installation.
2. Install Packer Protector from the Basket Grapple end of the Bowl. The beveled end of the Packer Protector goes in first. Carefully push the Packer Protector through the four Type "L" Packers.
3. Align Shear Pin Holes in Packer Protector so that the holes have just passed into the counter bore at the Top Sub end, refer to diagram. The Packer Protector is provided with four Shear Pin Holes. Use only two holes, 180 degrees apart and install the pins.
4. Screw the Basket Grapple in from the lower end of the Bowl, using left-hand rotation. The Tang Slot in the Basket Grapple must land in line with the slot in the Bowl.
5. Insert the Basket Grapple Control into the end of the Bowl. Align Tang on the Basket Grapple Control with the Tang Slot of the Bowl and Basket Grapple. This secures the Bowl and the Basket Grapple together.
6. Install the Cutlipped Guide into the lower end of the Bowl.
7. Install O-Rings on the two five-foot long Extensions. Screw the first Extension into the top end of the Bowl. Screw the second Extension into the top end of the first Extension.
8. Install O-Ring on Top Sub. Screw Top Sub into top end of second Extension.

Follow recommended Make-Up Torque as provided in chart.

510L-005-001 4-1/2" LOGAN HP CASING PATCH



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01196E
1. TYPE OF WELL Gas Well		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		8. WELL NAME and NUMBER: NBU 1022-08IT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1783 FSL 0353 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 08 Township: 10.0S Range: 22.0E Meridian: S		9. API NUMBER: 43047401920000
PHONE NUMBER: 720 929-6511		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/9/2011	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input checked="" type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>	
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The operator has concluded the wellhead/casing repairs on the subject well location. Please see that attached chronological history for details of the operations.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY July 26, 2012		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regularatory Analyst
SIGNATURE N/A	DATE 7/17/2012	

US ROCKIES REGION									
Operation Summary Report									
Well: NBU 1022-8IT				Spud Conductor: 9/30/2009			Spud Date: 10/2/2009		
Project: UTAH-UINTAH				Site: CIGE 250 PAD				Rig Name No: SWABBCO 6/6	
Event: WELL WORK EXPENSE				Start Date: 12/7/2011				End Date: 12/9/2011	
Active Datum: RKB @5,183.00usft (above Mean Sea Level)				UWI: NE/SE/0/10/S/22/E/8/0/0/26/PM/S/1,783.00/E/0/353.00/0/0					
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation	
12/6/2011	7:00 - 11:00	4.00	COMP	35		P		travel to location rig up wireline. Rih to latch spring, stacked out @ 5834. pooh. Rig down. Ready for workover rig. Left plunger by well head. COULD NOT GET PAST 5834.	
12/7/2011	11:00 - 11:15	0.25	WO/REP	48		P		JSA= WELL CONTROL	
	11:15 - 20:00	8.75	WO/REP	30		P		MOVE RIG & EQUIP FROM NBU 1022-6DT TO LOC SPOT RIG & EQUIP RU RIG CONT TUB W/ 20 BBLS TMAC ND WELLHEAD NU BOPS RU FLOOR & TUBING EQUIP CONT CSG W/20 BBLS TMAC UNLAND TUB LD HNGR POOH W/ 263 JNTS LD 93 JNTS DUE TO INT SCALE LD BHA RU W/L RIH W/ GUAGE RNG TO 6700' POOH PU 10K CIBP RIH SET @ 6640' POOD DUMP BAIL 2 SKS CEM ON CIBP FILL HOLE W/ TMAC PRESS TES TO 500# SIW SDFN	
12/8/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= CSG TONGS	
	7:15 - 16:00	8.75	WO/REP	30		P		SIWP=0 PSI ND BOPS PU INT CUTTER CUT CSG BELOW HNGR ND WELLHEAD PU OVERSHOT RU W/L & TONGS TAG TOC @ 25 ' B/O PUP JNT PU NEW 4-1/2" X 10' PUP RIH THREAD ONTO CSG 7000# TORQUE PULL 70000# NU TESTER TEST 3500# 30MIN W/ 35# LOSS PULL 90000# SET SLIPS NU WELLHEAD & BOPS RU FLOOR & TUBING EQUIP PU 3-7/8" MILL RIH TAG TOC @ 6630' PREP TO D/O IN AM	
12/9/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= FOAMER	
	7:15 - 17:00	9.75	WO/REP	30		P		SIWP= 0 PSI EST CIRC W/ FOAM AIR UNIT C/O & DRILL THRU CEM & CIBP @ 6640' W/ 100# INCREASE CONTINUE TO RIH TAG FILL @ 8840' EST CIRC C/O & DRILL TO PBTD @ 8859' CIRC CLEAN POOH LD 16 JNTS LAND TUBING ON HNGR W/ 263 JNTS EOT @ 8333.52' DROP BALL PUMP OFF BIT @ 1200# PU RIH W/ BROACH TO XN NPL RD FLOOR & TUBING EQUIP ND BOPS NU WELLHEAD RD RIG PREP TO MOVE SIW SDFW	